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GLOBALISATION AND EUROPEAN INTEGRATION: TWO PROCESSES SHAPING THE RELATIONS BETWEEN THE EUROPEAN UNION AND UKRAINE

This paper will address the political and institutional dimensions of the general issue raised by the seminar. It will focus on the relations between Ukraine and the EU as well as on the interactions between globalisation and European integration from a (mainly) European Union as well as a Ukrainian perspectives.

In a first part, the paper will briefly address the relationship between the two processes – i.e., the process of globalisation and the process of European integration:

a)   What is the relation between globalisation and regionalisation?

b)   How do the EU (which is an instance of regionalisation) interact with those processes?

From a theoretical point of view, the following questions will be tackled: 'How do the theories of international relations explain and analyse cases of international integration in a "globalised" world?'; 'How do European integration theories explain and analyse the process of globalisation?' From a theoretical and an institutional point of view, the international role of the EU will be questioned.

In a second part, this paper will focus on the bilateral relations between the EU and Ukraine. It will outline the main stakes of the bilateral relationship (EU/Ukraine) in an environment characterised by globalisation and an enlarged European Union. The history of these relations will be very briefly presented but the emphasis will be put on recent and current developments (the Partnership and Cooperation Agreements, the EU Common Strategy, as well as the new 'neighbourhood policy').

Globalisation, regionalisation and European integration

The phenomena of globalisation, regionalisation and European integration have been studied intensively by International Relations students. They are often presented as challenges to the Westphalian order, traditionally state-centric.

Regionalism and regionalisation are difficult to define concepts. Indeed, they are important variations of regionalism.

Those variations can be explained according to several factors. Butler cites, for instance, 'the level of growth in socio-economic interdependence; the extent to which shared values and cultural traditions persist; the extent to which formal institutional arrangements are sought; and the extent to which a regional grouping displays a cohesive identity and external presence'(Butler in Baylis and Smith, 1997, p. 410). The key actors of the regional groupings may differ. They may be governments and states as well as particular economic interests. The main objectives of the regional groupings may also vary. They may be concerned primarily with intra-regional trade and investment or with defence and security, or even with the protection of social and cultural traditions (idem).

Among the different types of regionalism, Butler (idem) mentions:

-       Regionalism: a process involving the growth of informal linkages and transactions derived primarily from economic activity but involving social and political interconnectedness too.

-       Regional awareness and identity: where a mixture of historical, cultural, and social traditions lead to a 'shared perception' of belonging to a particular community.

-       Regional interstate cooperation: states or governments may sponsor agreements and co-ordination amongst themselves to manage common problems and 'protect and enhance the role of the state and the

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power of the government'.

- State-promoted regional economic integration: often the most common form of regionalism, governments and business interests pursue economic integration(this can differ in terms of depth or sectoral scope) in order to promote trade liberalisation and economic growth.

- Regional cohesion: whereby 'a combination of these first four processes might lead to the emergence of a cohesive and consolidated regional unit'. Such a highly politically cohesive grouping can have a decisive impact upon both its 'internal' environment and upon global politics.

The European Union is a very special instance of regionalisation. One usually talks of European integration (or European construction). Integration has been defined in different ways. It can be looked at as a condition and as a process. The concept has been used, on the one hand, to describe a political and institutional system and its elements at a moment in time and, on the other hand, to explain how a regional grouping is created and develops. Wallace (1990, p. 9) presents integration as 'the creation and maintenance of interaction among previously autonomous units. These patterns may be partly economic in character, partly social, partly political: definitions of political integration all imply accompanying high levels of economic and social interaction'.

Integration is thus both the result of conscious political decisions as well as the result of informal, non-governmental processes: economic, social and cultural interactions. There are many different relevant actors and many different dynamics at work. The institutional and political systems and arrangements can come in different forms: from a customs union to a common market.

The definition of globalisation is not easier. This concept is usually used to 'describe the breakdown of discrete economics spaces (economies)' (Rosamond, 1999, pp. 179-180). It is used in debates about the loss of capacity by national governments. It is linked with the liberalisation of global finance, the transnationalisation of production

activities and the growth of world trade (idem).

Here come the questions raised in the introduction:

- What is the relation between globalisation and regionalisation?

- How do the EU (which is an instance of regionalisation) interact with those processes?

According to Rosamond, the first question tends to beg the second (1999, p. 180). He develops that argument as follows:

It is often supposed that the wave of regionalising activity that began in the mid-1980s was occasioned by the challenge of globalisation. So, to include recent European integration in the equation presupposes that the activities of the EU can be treated as an instance of regionalisation. If regionalisation is defined as the consolidation and formalisation of economic integration among a group of geographically proximate economies, then the EU fits the pattern, although the stage of economic integration reached could be said to be more advanced than other counterparts. (idem)

Some see European integration, especially since the mid-1980s, 'in terms of the dilemmas of nation-states emasculated on the one hand by the forces of globalisation and overloaded by demands from the domestic arena on the other' (idem). According to Wallace (1996, p. 16):

European integration can be seen as a distinct west European effort to contain the consequences of globalisation. Rather than be forced to choose between the national polity for developing policies and the relative anarchy of the globe, west Europeans invented a form of regional governance with polity-like features to extend the state and to broaden the boundary between themselves and the rest of the world.

One of the specificity of the European Union as an instance of regionalisation is the fact that it develops policies far beyond economic ones and notably a large range of political external relations. Before looking at the specific case of the relations between the European Union and Ukraine, the paper will

present and comment on the external dimension and the international role of the European Union.

The European Union in the international system

Authors have suggested that the EU is best seen as a system of external relations in which 'the Europeans represent a sub-system of the international system as a whole … a system which generates international relations – collectively, individually, economically, politically – rather than a clear-cut "European foreign policy" as such' (Hill quoted by Sjursen, 1999, p. 17). In this context, one should look at the following different dimensions:

1) the national foreign policies of the Member States;
2) the CFSP;
3) the 'external relations' of the first Community pillar.

Following Sjursen (idem), it is clearly the case that 'national foreign policies remain strong and that reaching a consensus, in particular in situations of crisis which require rapid responses, remains difficult. Identifying shared interests and reconciling different national foreign policy traditions is a challenge'[1].

The questions of 'structure' and 'agency' in the field of external relations and foreign affairs, the role and importance of individual Member States for the external activity and status of the EU, the specific perceptions of individual Member States about the international role of the EU are important ones.

Different theoretical perspectives have been used to look at the international role of the EU, the EPC, the CFSP, etc. Yet, there exists no general 'theory of the international role of the EU' (Peterson in Peterson and

Sjursen, 1998, p. 14 and Whitman, 1997, p. 64). Furthermore, it is debatable whether we should even seek one (Weiler and Wessels, 1988, p. 232).

Needless to say, the implicit or explicit choice for a specific theoretical approach leads one to focus on some specific questions, aspects, definitions of what is and is not foreign/external policy, etc., while addressing the issue of the international role of the EU. Some authors have stressed an interesting fact, that is, the difficulty in analysing the international role of the EU as long as 'the notion of a "foreign policy" carries with it a conceptual framework which is inseparable from the state-centric view of world politics' (Allen and Smith quoted by Sjursen, 1999, p. 16). Sjursen (idem) develops this point:

[These authors] claim that we tend to get stuck in this state-centric view when analysing European foreign policy, and therefore find it difficult to account for the growing significance of the EU's international role. They suggest that by using the concept of international 'presence', it is possible to study the impact of the EU in different policy areas of the international system, and to show that the EU 'has considerable structure and legitimacy in the process of international politics' (Allen and Smith).

Theorising the international role of the EU: some conceptual categorisations

Different theoretical perspectives on the international role(s) of the EU have been proposed. For instance, Hill (1998, p. 34) identified 'specific functions[2] which the Union either seems to be taking on itself or which seem to be expected of it by other ac-

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[1] See also Smith (2001, pp. 293-294). According to this author, the challenge for the EU is 'to reconcile its own often limited capacity to act with the needs and demands of international institutions, major political and trading partners, *and not least its own member states and their government*' (idem, emphasis added).

[2] As Hill (1993, p. 310) stresses, '"[f]unctions" in this context is a difficult term to use; there is no implication intended either of clearly demarcated tasks, agreed by the rest of the international community, or of a mechanistic system where each unit repetitively performs tasks without which the whole would not survive. (…) But we can assume that within the international states system some actors have an identifiable presence, to the extent that certain things would either not have occurred, or would have been done very differently, without their existence'.

tors'. As far as the functions of the EU in the international system up to the present are concerned, Hill (1993, pp. 310-312) proposes the following: a) stabilizing Western Europe; b) managing world trade; c) being the principal voice of the developed world in relations with the South; d) providing a second Western voice in international diplomacy.

Stressing the condition of transition that characterized the international system in the 1990s, this author (Hill, 1993, pp. 312-315 and 1998, p. 34) puts forward the following potential future functions for the EU: being a) a replacement for the USSR in the world balance of power; b) a regional pacifier; c) a global intervenor; d) a mediator of conflicts; e) a bridge between the rich and the poor; f) a joint supervisor of the world economy.

This short presentation of possible functions the EU could take on itself is of much interest in the context of this paper. It points at the variety of conceptions and actual international roles for the EU. Authors have used another path and have tried to construct specific conceptualisations of the international role of the EU. Some have described the EU as a 'civilian power'. Others have presented it as a 'global player'. The 'civilian power'/'global player' dichotomy is presented hereunder[3].

As regards its objectives, a 'global player' would be defined as aiming to sustain or rapidly attain global status and objectives; it is power oriented and it aims at fulfilling its self-interests. As regards its reach and action range, a 'global player' would not focus on its immediate neighbourhood but on the contrary could get involved on a global basis not only on a regional one. As regards the instruments at its disposal, a 'global player' can and is ready to use all instruments at hand: economic, political and military. As regards the institutional set-up features of a 'global player', one often finds the idea of a centre of command and a strong hierarchy. Moreover,

as regards the modalities for action in the international system, unilateralism would tend to be favoured or at least would be seen as both acceptable and workable.

It is generally accepted that the EU is not currently a 'global player' as defined above. Often, the concept of 'global player' is linked with the idea of a comprehensive 'actorness' for the EU, the idea of a single, proper European Foreign policy (Hill, 1993, pp. 315-316). According to Hill (1993, p. 316):

European Foreign policy worthy of the name will require an executive capable of taking clear decisions on high policy matters, and of commanding the resources and instruments to back them. They will need to enjoy democratic legitimacy and also to have a sophisticated bureaucracy at their disposal.

The international role and the external identity of the EU has been traditionally built around the notion of 'civilian power'[4] (Sjursen, 1999, p. 15). Underlying this is often the assumption that the EU is unable to be a 'global player' (or/and that is undesirable).

As regards its objectives, a 'civilian power' would be defined as looking for civilian values, partnerships among equals, human rights[5,] civil relationship within and among countries, etc. In order to find a structuring element and a coherent framework, one could say that 'the primordial value for the definition of an entity as a 'civilian power' is its desire to preserve peace [that] is not simply based on the absence of war but also on democracy, economic growth and prosperity through free-market economics, social justice, regional cooperation and the respect of human

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[3] This section is based on the lecture by Prof. Dr. W. Wessels given on the 14th of January 2002 at the College of Europe and on academic literature, notably, Whitman (1998), K. Smith (2000), White (2001), Ginsberg (1999), Rhein (1998).

[4] Term coined by F. Duchêne at the beginning of the 1970s.

[5] Human rights have been one of the main concerns of the EU in the 1990s. A research hypothesis could be the following. Before the 1989-1991 events in Central and Eastern European Countries (CEEC), the positioning of a state in the Western Bloc was deemed prevalent and sufficient as far as their political system was concerned. The situation changed after the fall of communist regimes, resulting in a stronger emphasis on human rights. It could be furthermore argued that this changed again after the events of the 11th of September 2001.

rights and the rule of law' (Ramirez and Szapiro, 2001, p. 124).

As regards its reach and action range, a 'civilian power' would tend to focus on its immediate neighbourhood and not to get involved on a global basis but on a regional one. However, this element is not as clear-cut as other defining elements (objectives and instruments for instance). As regards its instruments, a 'civilian power' would be presented as mainly possessing diplomatic and economic instruments[6] issuing declarations/statements to express concern, condemning, announcing punitive measures, encouraging specific diplomatic activities, sending special representatives, dialogue, supporting international organisations and multilateral diplomacy, organisation and sponsoring of peace conferences, trade and aid, permitting (favoured) access to its market, etc.

According to some authors, the word 'mainly' in the previous paragraph is important. As Smith (2000, p. 16) puts it, even if 'the ultimate ambition of a common EU defence policy is [stated], and impressive steps towards achieving it are under way', '[o]ne could argue that the EU will nonetheless remain a civilian power because it will only retain military power as a residual instrument: the capacity to undertake Petersberg tasks[7] is necessary in the last resort, as Maull puts it, "to safeguard other means of international interaction", such as trading relationships or cooperative frameworks'. This line of argument broadens to some extent the classic definition of 'civilian power'. Military power could be used by a 'civilian power' as a residual instrument in order to achieve and sustain 'civilian' objectives.

As regards the institutional set-up features of a 'civilian power', the absence of a need for a strong hierarchical set-up is often put forward, or at least implicit. Moreover, as regards the modalities for action in the inter-

national system, the necessity of cooperation to achieve international objectives is often acknowledged.

The International role of the EU: an historical overview

The European Union is a strange sort of international actor and its foreign policy is full of paradoxes. Is the Union a superpower in the making or a foreign policy failure? Is it in the process of embracing or brushing off its newly-democratic neighbours? (…) The end of the Cold War and the tightening of economic interdependence have hastened Europe's need to define its world role, but the Union is a master when it comes to avoiding making choices. (Zielonka, 1998, p. 1)

There is no common European outlook. Nor is there a common *projet*, a common conception of Europe's role in world affairs. (Hoffmann quoted by Peterson and Bomberg, 1999, p. 240)

Following Nugent (1999, p. 439), one would say that the EU is an extremely and increasingly important actor in the international system, 'partly because of its size and resources and partly because of its ability to act in a united, or at least coordinated, manner in a range of external policy contexts and settings'. In the context of this paper, the external relations of the EU are understood as consisting of different main aspects: trade, development cooperation, the external dimension of internal policies and foreign and security policy (idem).

This perspective is debatable and indeed has been much debated. The external relations and the international role of the EU are research subjects of increasing scientific interest. A first scientific debate took place in the 1970s, after the Summit in The Hague (1969) and the subsequent re-launch of European integration, about how the EC evolved as an international entity in spite of slow and modest progress in this respect in the aftermath of the Second World War (Telò, 2000, p. 131). Core issues then were the role of Europe in East-West relations, in the *détente* process and the problems related to develop-

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[6] See, notably, Ramirez and Szapiro, 2001, pp. 124-126.
[7] Defined in the TEU (Art. 17, par. 2) as: 'humanitarian and rescue tasks, peace keeping tasks and tasks of combat forces in crisis management, including peace-making'.

ment aid and policies (idem).

In the middle of the 1980s, a period marked by the Single European Act and the decline in the hegemonic stability guaranteed by the United States, another scientific debate was launched. The main topics were the idea of 'Europe Fortress' and 'neo-regionalism'. Soon, the issues of an accelerating financial and technological globalisation were added to the discussion. (idem)

The establishment of the EU and uncertainty about the form and content of the post-Cold War international system increases the importance of the question of the significant actors on the international stage where the EU is 'continuously and heavily involved' (Smith, 2001, p. 289). As Whitman (in Whitman and Landau, 1997, p. 57) puts it, '[t]he uncertainty as to the final form in which the Union will be manifest, and the context within which it is now operating, lends itself to divergent patterns in the study of the significance of the international role of the Union'.

In this context, the debate about the nature of the external relations and the international role of the EU is meshed with the debate about globalisation and neo-regionalism in the post-Cold War era. The deepening of the relations with the 'near abroad'[8] has also been studied in the perspective of an evolution of the international role and nature of the EU. (Telò, 2000, p. 131) According to Telò (2000, p. 132), a general concern, beyond the 'broadening v. widening' debate, is about the compatibility[9] between demands for concentration of sovereignty and decision-making in the external relations area[10] and the ongoing process of increasing internal differences, diverging national and/or local interests, in an ever-enlarged EU and with an ever more complex decision-making system. The following sec-

tions address the issues of the evolution of the international role of the EU after the end of the Cold War.

The international role of the EU: a 'before' and an 'after' 1989-1991?

One of the most debated issues in the study of international relations is how and how much the world changed after 1989[11]. Many debates have taken place: 'about the impact of the end of the Cold War on the nature of states' interests, their concern for relative gains in power, and our theoretical understanding' (Peterson and Sjursen, 1998, p. 170).

Yet, according to Peterson and Sjursen (1998, p. 170), it is not disputed that the end of the Cold War 'had the effect of radically raising expectations of the EU as an international actor'. Clearly this points to the pivotal character of the 1989-1991 events.

It may be useful to stress the particularities of the bipolar political context as regards the international role of the EU. Indeed, such a context can be presented as bringing about the fact that 'very little was expected of the Community as a foreign policy actor. The European Community was primarily an economic organisation, NATO was clearly the leading western security organisation, and European foreign policies were mainly national and strictly constrained by Cold War' (Peterson and Sjursen, 1998, p. 171).

Thus, the question is: what did the end of bipolarity imply for co-operation in the field of foreign policy and for the international role of the EU?

According to Peterson and Sjursen (1998, p. 170), one could say that '[t]wo of the most important differences between the international system of late 1991 and that which existed in early 1989 were, first, the outside world's view of the Community as the primary power on the European continent and, second (and crucially), the ambition of most

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[8] I.e., the cooperation policies with Mediterranean countries and former Soviet Union countries including the issue of the eastern enlargement (Telò, 2000, p. 131)

[9] Or, the modalities and conditions of this compatibility.

[10] Notably, the CFSP, the external implications of EMU, the global coherence of the external relations, the Commission's responsibilities and competencies as regards international negotiations, etc.

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[11] Note that an interesting point made by Smith (2001, p. 293) is that 'the European landscape was in many ways being transformed before 1989'.

of its Member States[12] to play such a role'.

Following these authors (1998, p. 171), the transformation of the world's expectations in the immediate aftermath of the Cold War can be explained by the convergence of three factors: 1) the Maastricht Treaty, notably through its provisions on EMU and the CFSP, seemed to mark an unprecedented acceleration of European integration; 2) during George Bush (senior)'s Presidency, the US administration developed a far more positive view of European integration than those held by its most immediate Republican predecessors; 3) the concomitance of the crises in former Yugoslavia and the novelty of the provisions on CFSP, offered a test of the 'EU's new determination not only to speak with a single voice, but also to act as a single actor'.

Moreover, the 'EU seemed to hold a 'winning formula' compared to other international actors' (Peterson and Sjursen, 1998, p. 181):

It was less tangled up with the Cold War conflict and embodied what seemed to be the main characteristics of the 'new world order': an emphasis on trade and political negotiations instead of military; new efforts to develop multilateral diplomacy, and a commitment to liberal, humanitarian principles in foreign policy. Duchêne's (…) description of the EC as a 'civilian power' regained credence.

Beyond these new characteristics, the end of bipolarity changed the security framework in Europe: 'from being potential enemies, the previous Warsaw Pact states became potential partners both to the EU and to NATO' (Sjursen, 1999, p. 6). In this context, the security dimension of the international role of the EU was being modified. The security challenges were more 'diffuse': international crime, ethnic conflict, terrorism, spread of nuclear weapons as well as humanitarian and environmental crises. (idem)

Yet, adapting to the new post-Cold War environment revealed to be difficult for the EU: 'it can "opt out" far less frequently and is expected to take responsibility for issues that it could simply ignore during the Cold War' (Peterson and Sjursen, 1998, p. 181). More generally, the evolution both of the world economy and of the post-Cold War international order created opportunities for a more expansive and ambitious EU role, but it also raised questions about the extent to which the EU policy process was capable of defining and pursuing appropriate and effective international action (Smith, 2001, p. 294).

The Enlargement of the EU to Central and Eastern European countries has an impact on economic and security aspects of EU external policies (idem). As Sedelmeyer and Wallace (2000, p. 455) put it: 'the unexpected political changes of 1989 suddenly confronted the EU with the need to invent from scratch a framework for relations with the CEECs and indeed a "European policy". Policy has been driven by the perception that the EU has a special role in reintegrating the continent and supporting the political and economic transformations, as well as by a notion, not always well defined, about the opportunities arising from successful transformation and the risks entailed by failure'. It is in this changing context that the bilateral relations between the EU and Ukraine were initiated and developed.

The relations between the European Union and Ukraine: "it takes two to tango"

The relations between the EU and Ukraine are to a large extent based on the Partnership and Co-operation Agreement (PCA)[13]. This Agreement entered into force in March 1998. Concurrently, the EU and Ukraine have adopted internal political strategies that clarify their position towards each other. The EU laid down its approach to relations with Ukraine in a Common Strategy adopted in 1999. The Ukrainian approach out-

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[12] According to Sjursen (1999, p.5), 'even though the security challenges to Europe had changed, the actor's preferences for solutions were still influenced by some of the same factors as during the Cold War', notably, 'the view on the United States' role in Europe and the view of the purpose and future development of the EU as an organisation'.

[13] These sections draw on the overview of EU-Ukraine relations on the Europa website.

lined in the President's Strategy for European Integration of 1998 has repeatedly been confirmed by President Kuchma. It received official support from the Verkhovna Rada. Specific agreements in the fields of trade (notably textiles), science and technology, and nuclear energy have also been concluded. Moreover, technical assistance has been provided since the early 1990s within the framework of the TACIS programme[14] as well as macro-financial assistance and humanitarian assistance. This assistance aims at supporting the transition process towards democracy and market economy. The EU is the largest donor to Ukraine. Over the last decade, the EU disbursed around €1.000 billion while the Member States the Member States disbursed around €160 million in the period 1996 – 1999.

The Partnership and Co-operation Agreement

The PCA[15] outlines the main features of the relations between the EU and Ukraine. According the EU, it highlights respect for shared fundamental values as an essential element for the relationship; provides an appropriate framework for political dialogue; sets the principal common objectives in terms of harmonious economic relations, sustainable development, co-operation in a number of areas, and support to Ukraine's efforts towards democracy; and it creates an institutional framework for pursuing these goals.

The provisions of the PCA address many areas, such as trade in goods, services, labour, and capital. Many are legally binding commitments that bring about important implications for the legislation of the two Parties. The PCA intends to bring Ukraine in line with the legal framework of the single European market and of the World Trade Organi-sation (WTO). In that context, the prospect of establishing a free trade area is a salient feature of the Agreement. Priority areas for co-operation have been decided at the 4th Co-operation Council (2001): approximation of Ukraine's legislation with that of the EU, energy, trade, Justice and Home Affairs, environmental protection, transport and science, and technology. At the Fifth Co-operation Council (2002), investment and cross-border co-operation were added to the list.

Bilateral institutions have been created by the PCA. They supposed to take specific decisions within the framework of the PCA. The main institutions are:

- a Co-operation Council at ministerial level (EU-Presidency, European Commission, High Representative, Government of Ukraine)
- a Co-operation Committee (senior civil servants level, chaired alternately by the European Commission and the Ukrainian side)
- Sub-Committees (experts level; supporting the work of the Co-operation Committee).
  - SC 1: Trade and Investment;
  - SC 2: Financial and economic issues, statistics;
  - SC 3: Energy, nuclear, environment, networks, science and technology, training, education;
  - SC 4: Customs and cross-border co-operation, Justice & Home affairs.
- a Parliamentary Co-operation Committee, composed of Members of the European Parliament and the Ukrainian Verkhovna Rada, meets on an annual basis.

These institutions have an important role in keeping the bilateral relations alive. They are notably in charge of the political dialogue. The latter is conducted through yearly Summits, at the Co-operation Councils, and in Ministerial and Political Directors' meetings in the Troika format. Also, the EU's Political and Security Committee as well as a number of specific Council working groups meet with the Ukraine side under each Presidency, i.e., twice per year.

Four main groups of topics are cov-

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[14] The programming cycle for TACIS implementation covers three levels: a) the Country Strategy Papers (CSPs), adopted for the period of 2002/2006 on 27 December, 2001; b) a National Indicative Programme for 2004/2006 has recently been approved, for €212 million for that period; c) annual Programmes for each budget year.

[15] OJL 49 of 19.2.1998, p.3.

ered by the political dialogue: horizontal security threats such as terrorism; disarmament and non-proliferation; regional and international issues such as those in the region (Moldova, Southern Caucasus), Balkans, Middle East, Iraq, etc.; and democracy, human rights, media and press freedom, and related matters.

For instance, discussions have been taking place about Ukrainian arms sales to Africa, the Balkans, and the Middle East; the possible use of Ukrainian long-haul air transport capacity for EU operations under the European Security and Defence Policy (ESDP); the regional conflict taking place the Transdniestria province in Moldova; the Parliamentary elections in March 2002 and the subsequent efforts to establish a viable majority coalition; the restrictions on the media and on access to the media for all political voices; the safety of journalists; Ukraine's commitments arising from its membership of the OSCE and the Council of Europe.

The Common Strategies

The EU adopted a Common Strategy on Ukraine in December 1999[16] at the Helsinki European Council. This Common Strategy aimed at giving more coherence between the EU and the Member States' policies towards Ukraine. The aim of the Common Strategy is to develop a strategic partnership between the EU and Ukraine on the basis of the PCA. It 'acknowledges Ukraine's European aspirations and welcomes Ukraine's pro-European choice' (OJ L 331 of 31.12.1999, p.2). According to the Strategy, 'the European Council has identified the following principal objectives': 1) support for the democratic and economic transition process in Ukraine; 2) ensuring stability and security and meeting common challenges on the European continent; 3) support for strengthened cooperation between the EU and Ukraine within the context of EU enlargement. (idem)

The common challenges the Strategy refers to are notably the stability and security

in Europe, environment protection and energy and nuclear safety. Also, the EU underlines the need to assist Ukraine's integration into the European and world economy and to enhance co-operation in the field of Justice and Home Affairs.

On the Ukrainian side, the willingness to replace the current PCA by an Association Agreement is regularly reasserted. Building on the pre-existing European Integration Strategy, President Kuchma restated the long-term goal of EU membership. Ukraine aims at fulfilling the relevant criteria by 2011. The Ukrainian approach is based on a step by step process, the main intermediate steps being WTO membership and a Free Trade Agreement with the EU.

The Wider Europe – new Neighbourhood policy (NP)

Half a decade ago, the prospect of the Eastern enlargement of the EU has brought about a debate on the new neighbours: the countries that were going to have a border with the enlarged EU but were not going to become a member soon.[17]

First, this reflection was undertaken by the Council of the EU under the label 'New neighbours Initiative'. It focused only on the new Eastern neighbours (Ukraine, Byelorussia and Moldova). The debate moved to a discussion on the 'Neighbourhood Policy' for all the countries with a land or sea border with the Enlarged Europe (Wider Europe), i.e., the Eastern neighbours but also the Southern Mediterranean neighbours (Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, the Palestinian Authority, Syria and Tunisia).

In 2002-2003, the neighbourhood policy was the subject of numerous documents issued by European leaders (from the European Commission, the European Parliament as well as current and future Member States) and numerous publications by research institutes. This shows a growing interest for a geographical area that attracted little attention until now and that is bound to play an impor-

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[16] OJ L 331 of 31.12.1999.

[17] This section is a translated, abridged and modified version of an article by Goujon (2004).

tant role in the debate on the final borders of the EU and on its political identity.

The NP is a unilateral initiative by the EU that responds to internal and external demands. The different documents on the NP justify the initiative by the necessity to 'avoid new dividing lines in Europe and to promote the stability and prosperity within and beyond its borders'. The most significant phrase to understand this initiative is probably Romano Prodi's one: he says that the objective is to create a 'ring of friends'.

These evolutions reveal the new neighbours' and the future Member States' anxiety about the negative consequences of the enlargement for the stability of the continent and the evolution of the EU if it does not take into account the expectations of the new neighbours.

The NP is thus linked to the own interest of the EU in consolidating its prosperity and security. The idea is to turn its neighbours into allies by showing them that EU's interests are identical to theirs.

Even if the Commission's Communications of March[18] and July[19] 2003 refer to common interests, the current negotiations between the EU and the Eastern new neighbours show divergences about the very idea of a NP and about its objectives. The security aspects are at the core of the EU's preoccupations. Indeed, according to Gunter Verheugen, Commissioner responsible for enlargement and the NP, the 'security of our citizens' is at stake. Whatever the emphasis on the identical nature of the interests, the objectives and the values of the EU and its neighbours, the documents and discourses highlight a statutory difference based on the distinction between 'them' and 'us'. The word 'neighbourhood' reinforces that divisive aspect of the NP.

Beyond the EU's concern about the consequences of enlargement, the NP aims at addressing, unilaterally, its Eastern

neighbours' long-standing demands for obtaining Accession agreements and the adhesion to the EU (Ukraine and Moldova). It seeks to end a lasting misunderstanding between Ukraine and the EU. Ukraine puts the adhesion as the central element of its relation with the EU; while the EU, in the absence of a clear political position, fosters the illusion of a possible adhesion.

The NP proposes to deepen the cooperation between the new neighbours and to postpone *sine die* the issue of a future adhesion. Yet, the cooperation described in the first Commission Communication requires from the new neighbours 'an approximation of their legislation with the *acquis communautaire*' in order for them to 'become as close as possible to the EU without being a member'. The idea has been summarized by Romano Prodi as the 'access to everything but the institutions'.

This issue of 'adhesion v. deep neighbouring relations' is not new. Indeed, in this case, it dates back to the beginning of the 90's. As Bretherton and Vogler (1999, pp. 244-245) put it: 'The proactive role played by the EC/EU in the inclusion of the Baltic republics created a dynamic that has also served to exclude NIS, such as Ukraine, which claim membership of the "kidnapped West" (…). Thus the CEEC/NIS division established an early, and important, inclusion/exclusion dynamic which has been reinforced, inter alia, by the differing aims and impacts of the Phare and TACIS programmes'.

The NP suffers from an incoherence that is linked to its very object. Its goal is to transform its neighbours so that they look as far as possible like the EU Member States. This is supposed to ensure an optimal efficacy for the economic and security cooperation. But in the same time, the EU refuses to accept the perspective of another enlargement. If the European leaders consider that the new neighbours can one day respect all the criteria required for membership, how can they justify refusing the possibility of future adhesion?

Ukrainian leaders seek a solution by presenting the NP as a short term policy they can use as a tool for reaching an Association

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[18] COM(2003) 104 final, *Wider Europe— Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours.*
[19] COM(2003) 393 final, *Paving the way for a New Neighbourhood Instrument.*

Agreement. They think the European leaders try to overcome the adhesion obstacle by distinguishing Europe and the EU but also by differentiating between adhesion and integration. If they acknowledge Ukraine's European identity and its possibility to participate in European public policies, they insist on the fact that this identity does not lead inescapably to adhesion. The article 49 of the Treaty of the European Union is then challenged: can one European state respecting the adhesion criteria be refused entry in the Union by the current Member States?

The broad orientations of the NP are presented in the Communication of the Commission entitled 'Wider Europe (…)' adopted in March 2003. This Communication is the main political document on the matter. This policy has been endorsed by the General Affairs Council in June 2003 and by the European Council in December 2003. Since then, the NP has involved bilateral negotiations about the adoption of action plans (AP) with the relevant countries. The AP with Ukraine is supposed to be used as an example for the other neighbouring countries.

The NP does not replace the current framework of the relations between the new neighbours. In the case of Ukraine, as said above, this framework is the PCA (1998) and the Common strategy on Ukraine (1999). Rather, the NP aims at complementing it with a political framework and more coherence for the development of the bilateral relations.

The NP intended to give an attractive political offer to countries, like Ukraine, likely to be disappointed by the fact that the perspective of future adhesion is not given to them and that they are integrated in a geographical grouping spanning from Eastern Europe to the Middle East and Maghreb countries. The specificity of their political identity and geographic situation being therefore not taken into account even if the European leaders insist on the necessity to give differential treatment to the different EU partners. Yet, the political offer is attractive because it gives a 'perspective for the participation in the internal market as well as the pursuit of integration and liberalisation in order to promote the free movement of persons, goods, services and capitals'.

This offer is however 'subordinate to the progress made by the partner countries in political and economic reforms'. The Communication presents the mains axes of the NP while the AP are supposed to define more precise objectives, EU offers and access modalities to these offers. The main axes of the NP show the main preoccupations of the EU. They are mainly related to economic and security issues: extension of the internal market and regulatory structures; preferential trading relations and market opening; perspectives for lawful migration and movement of persons; intensified cooperation to prevent and combat common security threats; greater EU political involvement in conflict prevention and crisis management; greater efforts to promote human rights, further cultural cooperation and enhance mutual understanding; integration into transport, energy and telecommunications networks and the European research area; new instruments for investment promotion and protection; support for integration into the global trading system; enhanced assistance, better tailored to needs; new sources of finance. (Commission, 2003a, pp. 10-14)

For the realisation of the NP, the Commission decided to create a working group called 'Wider Europe Task Force' (WETF). This group has to develop the concept of NP, to lead the negotiations on the AP with the partner countries and to prepare the proposals of the Commission linked to the NP. The WETF is chaired by Michael Leigh, Deputy Director general in the DG External relations. He reports to Commissioner Verheugen. The WETF is composed of officials from the DG External relations and the DG Enlargement. There is not a truly distinct structure for the NP. Another working group has been created to facilitate the coordination and the contribution of the Commission services to the NP: the Wider Europe Inter-Service Group.

One of the main area of the NP is the trans-border cooperation. The Commission issued a Communication on the subject on the 1st of July 2003. The four objectives of that

cooperation are: 1) the promotion of sustainable economic and social development in the border areas; 2) Working together to address common challenges, in fields such as environment, public health, and the prevention of and fight against organised crime; 3) Ensuring efficient and secure borders; 4) Promoting local, "people-to-people" type actions (Commission, 2003b, p.5).

For the period 2004-2006, the existing financial instruments (Interreg, Phare, TACIS, Cards and Meda) will be used but will be better coordinated with the creation of neighbourhood programmes.

The Commission proposes to grant €955 million to these programmes. After 2006, the creation of a new neighbourhood instrument is contemplated in order to develop the transborder and regional activities. This instrument will aim at combining foreign policy and economic and social cohesion objectives which is difficult today because of the separation of the internal and external EU programmes.

The AP are the master pieces of the NP. They are political documents that will define the main objectives of the NP. Once adopted, they will replace the common strategies to become the main documents presenting the EU policy towards its neighbours. The AP must define, on the one hand, the objectives (and the assessment criteria) the EU assigns to the partner countries and, on the other hand, the advantages the partner countries can get if they reach these objectives, on the basis of an annual assessment.

The main areas concerned by the AP are: 1) political cooperation notably in the area of security and conflict prevention; 2) economic reforms; 3) questions linked to the internal market and notably trade liberalisation; 4) cooperation in the area of justice and home affairs; 5) development of infrastructure networks and energy markets, transport, telecommunications and environment; 6) policies promoting local, "people-to-people" type actions notably in the area of education, research and culture.

Since they are negotiated, the AP are the NP elements that ensure the bilateralism in the relation between the EU and its neighbours. These negotiations are undertaken intensively with Ukraine since the beginning of 2004. Several AP, including the one with Ukraine, have to be concluded by the summer 2004. The success of the negotiations and the AP is subordinate to two important principles: equality in the elaboration process and equity in the implementation process.

It seems that the first principle will be respected. Verheugen said that 'the AP would not include elements not totally approved by both parties'. The second principle is more difficult to enforce to the extent that the parties diverge on the issue of reference criteria (benchmarks) and commitments.

According to the EU, the respect of the criteria should not necessarily lead to an advantage for the partner country and therefore to a specific commitment by the EU. The Ukrainian government remarked, on several occasions, that the AP was centred on the Ukrainian obligations and included few EU commitments. From a Ukrainian perspective, the AP is likely to be less balanced than it should be. For example, the issue of the free movement of persons and the liberalisation of the visa regime, present in the Communication of March 2003 and discussed with Russia, is apparently not on the negotiation agenda anymore with the new Eastern neighbours.

According to the EU, the AP are short term documents (2 to 3 years, maximum 5) that can be either renewed or that can lead to neighbouring agreements including new rights and obligations. Among the new neighbours, Ukraine contemplates the possibility to transform its relations with the EU from a 'cooperation system' to an 'integration system'. Ukraine's core objective is the signing in the middle term of an Association Agreement.

The NP raises disagreements inside the EU itself. On the 11th of March 2004, the European Commission announced the postponement of the negotiations with the partner countries in order to intensify the dialogue between the Commission, the Council and the Member States.

This postponement follows Member

States' criticisms, during the General Affairs Council of the 23rd of February 2004 against the Commission. The latter was accused of going beyond its mandate and of negotiating in a non transparent way.

In its conclusions, the Council insists on the importance of coherence and coordination with other foreign policies. Among the critical Member States, some ask for a bigger differentiation between Eastern and Mediterranean countries. According to a diplomat, each one seeks to support one's own neighbour.

Other Member States express their concern about a too autonomous Commission that could foster false hopes in the neighbour countries without the assent of the Council. Other hope that the Commission will insist on the political conditionality (human rights, good governance) in its negotiations with the new neighbours.

In such a context, the Commissioner for enlargement Verheugen restated the main objectives of the NP (discourse in Bratislava on the 19th of March 2004): to avoid dividing lines in Europe; to create a 'ring of friends'; to distinguish the NP from adhesion; to differentiate the approaches according to the countries. He presented the four NP elements that should be proposed to the Member States during the summer 2004: 1) a Strategy paper presenting the vision of the NP and developing the main issues raised by this policy; 2) country reports describing the political, institutional, economic and social situation of the countries concerned by the NP; 3) the AP that are the main instruments of the NP; 4) a new neighbouring instrument on transborder cooperation.

As far as the geographical areas are concerned, Verheugen restated that Ukraine and Moldova are central and crucial states for the NP. Russia that remains the most important neighbours for the EU is treated separately. The emphasis is on the existing and specific agreements. No new AP are considered. Russia was not interested in the NP. It perceives itself as a totally separate case notably for geographical reasons.

In the context of the Eastern enlargement of the EU, the NP appears as an important challenge because of the question it raises about the future of the EU: What borders for the EU? What policies for an enlarged EU? What political role on the international scene and on the European continent? These challenges point at the uncertainty of the future of the NP. It will depend on the political will of the Member States and notably of the new Member States but also on the developments in the new neighbours, notably as regard the political, economic, social and identity independence with regard to Russia.

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НЕКОТОРЫЕ АСПЕКТЫ ЕВРОПЕЙСКОЙ ИНТЕГРАЦИИ

В условиях усиления глобализации и формирования открытых экономик крайне важным является вопрос национальной интеграции в мировое хозяйственное пространство. Актуальность такой интеграции, а также практическая необходимость в ней обусловливается потенциалом торгово-инвестиционного партнерства и особенностями развития национального производства. Для Украины на протяжении лет независимости характерны абсолютный и относительный рост экспорта и импорта, повышение веса и значения экономических объектов, находящихся в собственности иностранцев, интеграция экономики страны в международные валютно-финансовые и кредитные отношения с международными и иностранными субъектами – государствами, специализированными организациями и физическими лицами. В силу существующих тенденций к глобализации и регионализации, а также активизации давления со стороны ведущих государств мира на развивающиеся экономики, возникает необходимость разработки и внедрения интеграционной модели. Данная модель должна учитывать национальную специализацию экономики и ее потенциал, а также имеющиеся международные кооперационные договоренности с основными