

EUROPEAN NEIGHBORHOOD POLICY: ROMANIA'S CONTRIBUTION TO THE EU'S NEW SHAPE

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On 1st of January 2007 the EU welcomed two new Member States and 30 million people, when Bulgaria and Romania joined the European Union. This completed the EU's historic fifth round of enlargement peacefully reuniting Western and Eastern Europe after decades of division. The challenge was not to close gates but to meet new frontiers. We need a positive but practical vision for a better Europe. What are, then, the new frontiers of Europe?

European borders are characterized by alternating hard and soft forms on one axis and open and closed forms on another. Europe's internal national borders are not merely modified by the growing significance of a European external frontier, but both internal and external borders are influenced by the wider global context. Enlargement policy has allowed the EU to expand its frontiers both economically and politically. The first and foremost frontier, and the most urgent challenge for Europe, is to rebuild confidence in the European economy. The internal market has liberalised European economies and created the biggest economic area in the world, reaching 500 million consumers once Bulgaria and Romania have joined the European family.

Keywords: frontiers, neighbourhood, cross-border intercultural dialogue and co-operation

Introduction

It was one year ago that Romania and Bulgaria joined the European Union that now embraces 27 members. Despite all the heterogeneity between the individual regions and countries there is nevertheless the joint search for the *one* European identity. Which is why we find this question of particular interest: *Where are Europe's frontiers?* In this respect, an entire continent is searching for itself, trying to get to the bottom of what and who belongs there. Thinking European means overcoming conventional frontiers.

We need a positive but practical vision for a better Europe. What are, then, the new frontiers of Europe? The *first* and foremost frontier, and the most urgent challenge for Europe, is to rebuild confidence in the European economy by improving competitiveness and innovative capacity to enhance job creation and to raise employment rates. The internal market has liberalised European economies and created the biggest economic area in the world, reaching 500 million consumers once Bulgaria and Romania have joined the European family in January 2007. Last enlargement round has been an economic success. It has boosted growth and created new jobs in the European economy. The *second* frontier is the political revival of Europe. We need both an economic Europe and a political Europe. We need economic reforms to enhance competitiveness, and political reforms to make the Union more effective and democratic. The *third* frontier is to extend the European zone of peace, liberty and prosperity by better projecting the EU's soft power, especially through a gradual, rigorous and carefully managed accession process. Therefore, we need to build a new consensus on enlargement, which recognizes the strategic added value of enlargement while ensuring the Union's capacity to function. The challenge for the EU is to improve the functioning capacity of the current EU now, not only the more abstract absorption capacity in distant future. That's why the EU needs to work for the economic and political revival, and not make enlargement the scapegoat for domestic failures.¹⁹²

What borders for the Union?

The Wider Europe concept was designed to deal with the consequences of the 2004 enlargement of the Union from 15 to 25 Member States. Given the number of potential accession countries, it was inevitable

¹⁹² Olli Rehn, Member of the European Commission, responsible for Enlargement, *Europe's Next Frontiers*, Lecture at the Finnish Institute of International Affairs, Helsinki, 27 October 2006

that fundamental questions would be asked about the nature of the Union and its limits. Indeed, the issue of the EU's future enlargement became a theme in the two failed referenda on the Constitutional Treaty in France and the Netherlands in 2005.

Where the final borders of the Union should be drawn? It is impossible at this time to give a definitive answer to this question, which is posed increasingly by EU politicians and bewildered citizens.

To the north, the situation is clear. The only countries remaining outside the EU are Norway and Iceland. Both would have little difficulty fitting into the Union, given their membership of the European Economic Area (EEA). To the west, Ireland and Portugal are the Border States facing the Atlantic. To the south, the position is equally clear: Morocco once applied for membership but was politely told it was not European, so north African states are thus slated to be good neighbours but can never join the family.

The problems for the EU begin in the east and south-east. The countries of the Balkans were given an undertaking at Thessaloniki in 2003 that they were all eligible for membership when they met the Copenhagen criteria. But no one can state with any certainty when this might occur, as it largely depends on progress in each country. Turning to the east, the EU has to deal with the rump of a superpower (Russia), a newly-independent state as big as France but unsure of its identity (Ukraine), and five countries all with significant problems (Armenia, Azerbaijan, Belarus, Georgia and Moldova).

Given the close historical, cultural, economic and human ties and numerous shared challenges, the EU's Mediterranean neighbours were among the first to establish special economic and trading relations with the Union. The Barcelona Process and the Euro-Mediterranean Partnership aimed at increasing political dialogue, stepping up economic and trade relations (creation of a Euro-Mediterranean free trade area by 2010) and partnership in social, cultural and similar fields. The European Commission's 'Wider Europe' communication of 11 March 2003 had proposed a 'ring of friends' with the prospect of close economic integration with the EU, potentially extending to the four freedoms of the Internal Market.

In its 'European Neighbourhood Strategy', developed by the Commission in May 2004, the EU offers its neighbours a privileged political and economic relationship, building upon a mutual commitment to common values (democracy and human rights, rule of law, good governance, market economy principles and sustainable development). Title VIII ("The Union and its immediate environment") of the future Treaty establishing a constitution for Europe foresees a special relationship with neighbouring States and specific agreements with them. These agreements may contain reciprocal rights and obligations as well as the possibility of undertaking activities jointly. This new type of agreement would complement other types of agreements concluded by the Union, such as association agreements

When it was launched in 2004, the European Neighbourhood Policy (ENP) was seen as covering the enlarged EU's immediate neighbours, but not countries with an accession perspective (Bulgaria, Romania, Turkey and the Western Balkans). The ENP covers Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, the Palestinian Authority, Tunisia, Ukraine and Syria. As Commissioner Ferrero-Waldner explained: "The aim of the ENP is to avoid new dividing lines on the continent and deepen relations between the EU and its neighbours. The ENP is not about enlargement, but it is about mutual interest in supporting reforms and modernization. Each country has its own agreed action plan that reflects its needs and priorities".¹⁹³

In the policy towards Europe's neighbours a thorny issue is how to deal with countries, such as Belarus, that do not comply with the Copenhagen criteria and with the principles of democracy and respect for human rights. They do not cease for that to be neighbours and to have common interests with the EU. After all the Helsinki process, part of a neighbouring policy whose ultimate consequences cannot be considered to have been unfavorable for the West, nor for the advance of democracy, applied to regimes that were no any better or more democratic than, say, the present one in Belarus. We may also consider that here we could have a vicious circle: an authoritarian regime, and the absence of the rule of law, the lack of respect for human rights, might be factors acting against economic performance and the openness of a country, but economic progress and increased openness can be factors mitigating the political system, bringing about its evolution in a suitable direction. An appraisal of the likely consequences of different attitudes and policies of the EU on the internal evolution of its neighbours could be of relevance here, even if this could be only very tentative, and one should be ware of unintended consequences. As far as the CIS neighbours are concerned, not only are they eligible in principle to membership because of their European nature, but they

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are different in some important aspects from most of our Mediterranean neighbours. Whatever their difficult present circumstances, there is a discrepancy in the neighbouring CIS countries between their economic and political conditions, and their educational attainments and human capital accumulation. One could well expect (or hope for) somehow the gap to close in the future and those countries to endow themselves with political institutions and economic structures better fitted to their level of overall cultural tradition and educational accomplishments. The above may be part of the explanation of the different attitudes by the EU towards human rights and the Copenhagen criteria in the Eastern and Southern neighbouring countries.

The ENP is based on the concept of shared values and common interests. The shared values are those which ensure our prosperity, stability and security i.e. democratic reforms (fundamental rights, rule of law), market economy and sustainable development (including reforms in sectors such as trade, competition, energy and transport, environment, people-to-people contacts etc). These reforms will enable us to develop joint responses to the common challenges we face in the twenty-first century e.g. prosperity gaps, migration, crime, environmental issues, public health, extremism and terrorism. Furthermore, the ENP offers progressive integration into the EU's internal market and deepened political cooperation.¹⁹⁴ EU needs its neighbours' cooperation to tackle problems of illegal migration, terrorism and cross-border crime, as much as they need access, as much as possible, to EU programmes. EU has to offer more than proposed, because otherwise it may find itself facing a ring of states in distress rather than a ring of friends.

The challenges of the European Neighbourhood Policy in the East

The new member states have increased the attention and activity of the EU with regard to the Eastern neighbourhood but their ability to actively shape a common EU policy has been rather limited. Nonetheless, enlargement as such has considerably altered the geopolitical map and self-perception of the EU and required new engagement in the East. Also the neighbours in the East have changed over the past years, with some countries (Ukraine, Georgia and Moldova) making renewed efforts to adopt European norms and values, and others (Belarus and Russia) moving in the opposite direction. The EU has become more committed than ever before to supporting transition in the reform-minded neighbouring countries. It has become aware of and active towards the authoritarian regime in Belarus, and adopted a more critical approach towards Russia. These changes have resulted from a variety of factors, including active contribution of the new member states, the dynamics in Eastern Europe, the impact of enlargement on the foreign policy identity and geopolitics of the EU, and the gradual strengthening of EU foreign and security policy.

The activeness of the new member states has often not been based on a sound strategy and vision that could mobilize support in the EU. It should be noted that the new members are not so new any more. It is time for them to develop a broader, more strategic approach to and stronger ownership of common EU policies. Within Eastern Europe one needs to develop a strategy for the whole region and not be preoccupied with one's own closest neighbours. This is not to argue against a certain division of labour; a broad strategy and narrowly focused practical work have to be complementary and support each other.

The new members themselves have to be committed to common EU policy in order to be able to shape it. Due to their specific expertise and strong interest in the Eastern neighbourhood, they can take an indispensable role in developing the existing EU instruments, the ENP, so as to promote security and democracy in Eastern Europe. Although the ENP as such has been a disappointment to the new member states, this is the instrument we currently have to work with. By being more constructive, the new members could better advance their interests in the neighbourhood. Furthermore, the new member states need to enhance their efforts to engage the old member states. Germany, the UK and the Nordic countries are the most important partners that have often been supportive of the new member states' views on Eastern neighbours. It is not enough, however, to involve similar-minded countries, but a dialogue with all member states is needed. The above-mentioned broader perspective of new member states would help them to change their reputation within the EU as countries that are interested only in their direct neighbourhood. A broader interest in other EU external relations would make the new members more valuable and reliable partners not only for the Scandinavian countries and Germany, but to some extent also for France, Spain or Italy which are more engaged in the Mediterranean neighbourhood of the EU. Closer co-operation with old

194 COM(2004) 373, European Neighbourhood Policy Strategy Paper, Brussels, 12 May 2004. http://europa.eu.int/comm/world/enp/pdf/strategy/strategy_paper_en.pdf

member states would also help in overcoming the distinction between old and new member states, which should become less and less visible in the coming years.

The EU's increasing engagement in the Eastern neighbourhood has far-reaching implications for the future of Europe. Even though some member states are resolutely against further enlargement and would not mind leaving the new Eastern neighbours in the Russian sphere of influence, no one in the EU can object to enhance support for political and economic reforms in the neighbourhood. The more effectively the Union promotes the Europeanization of its neighbours and extends its system of governance to the neighbourhood, the harder it becomes to avoid the question of offering them the prospect of membership. In other words, if the neighbours are successful in implementing reforms, the question of their membership or at least closer association will have to be seriously addressed and answered by the EU.

The new member states in themselves are a strong case for their argument: the EU has to remain open to all European countries that share its values, and enlargement is the most effective means for the Union to promote stability and wellbeing on the continent. It is worth reminding that, according to the current treaties, the EU has no right to deny full membership to democratic European countries. The EU's policy towards the Eastern neighbours will test the Union's continued commitment to its underlying goals and principles, above all the promotion of democracy and security through integration.

The EU shall particularly acknowledge how far it is willing to go, especially if it comes to concrete membership aspirations of ENP-partners. An all too altruistic-looking policy seems unrealistic and therefore not trustworthy. Regardless of how tempting it might appear to the EU, promising or even just implying more than it wants to deliver might prove counterproductive in the end. This is evidently a difficult task, especially as under the conditions of asymmetry partners tend to feel deprived when it comes to the allocation of benefits from co-operation. A substantial increase in these benefits for partners could be generated by strengthening inter-neighbour co-operation and increasing consistency in the EU's foreign policy.

The ENP sets ambitious objectives for partnership with neighbouring countries based on commitments to shared values and political, economic and institutional reforms. Partner countries are invited to enter into closer political, economic and cultural relations with the EU, to enhance cross border co-operation and to share responsibility in conflict prevention and resolution. The Union offers the prospect of a stake in its Internal Market and of further economic integration. The speed and intensity of this process will depend on the will and capability of each partner country to engage in this broad agenda. The policy builds upon the existing framework of co-operation.

The EU's attempt to devise a joint and thus more coherent approach towards its immediate neighbourhood can be seen as a welcome step. However, the concept is not entirely without problems. As it stands now, the ENP raises at least four broad questions concerning its viability:

1. How genuine is the "European choice" as far as the eastern neighbours are concerned? As long as this basic choice is faltering, the EU's attempts to apply conditionality along the lines envisaged by the ENP are, and will remain, highly problematic.
2. Will the new eastern neighbours really be a high priority for the EU? In order to furnish the current rhetoric with real substance, this should be the case. Ukraine, Belarus and Moldova are economically unimportant for the Union, which undermines the potential for positive prioritization. Negative prioritization, that focuses on social security challenges emanating both here and in the third countries, is also arguable at least, if seen in comparative terms (vis-à-vis the Balkans and Northern Africa). Besides, negative prioritization often brings into practice policies of containment, like strict visa regimes, and not instruments of in-depth interaction. It is quite probable that the lobby of eastern-neighbour advocates within the Union will remain weak. What is more, the EU side will be irritated by the need to manage the practical consequences of the present round of enlargement, such as the introduction of visas and the accommodation of new neighbours' demands for compensation for the negative effects of enlargement, which could increase the already discernable feeling of "East-fatigue" in the EU.
3. Regarding Romano Prodi's offer that the EU would be sharing "everything but institutions" with its neighbours sounds generous at first, but the "four freedoms" –even if easily realized, which they are not – are a rather abstract goal compared to full accession. Is the new policy just the old cake with some new topping?

4. And finally, can the EU itself make the blurring of internal and external divisions work? The previous experience gathered during the Northern Dimension has shown that the blurring of clear inside/outside divisions in the EU is a source of problems for the Union itself. The member states are jealous of their sovereign prerogatives and the Brussels bureaucracy does not want outsiders meddling with the internal EU policies. Nor has the sectorally organized Commission – at least so far – been willing to experiment with horizontal cooperation to the extent that would be required if the policy was made to work. It is also debatable whether blurring the lines will satisfy the new neighbours either.

Romania - EU's New Eastern border

The main question arising is how and in what extent the Romanian membership could influence the development of EU. Although, owing to its limited economic size, Romania's economic impact on the EU is rather marginal, from political and strategic stand point Romania represents an important member, a significant geographical link between EU and West Balkans, Republic of Moldova, Ukraine or the Black Sea.

One of the obvious enlargement's opportunity derives from the chance Romania has to integrate in a community built on shared values such as democracy, respect of human rights, solidarity and cohesion, equal opportunities and fight against all forms of discrimination, universal access to education and healthcare, quality of life and quality in work, sustainable development and involvement of civil society, all of these representing a choice in favour of a social market economy. At the same time, the challenges might come from the speed in the process of economic reform, adopting and implementing EU legislation, strengthening institutional capacity, etc, all in all in increasing the speed of the catching-up process.

As an EU bordering country, Romania will have both the opportunity and responsibility of developing strengthened cross-border cooperation relations with Moldova and Ukraine, in order to fulfill the priorities set through the action plans. Considering the fact that the ENP strategy provides a new context for the methodology implemented in the EU enlargement process towards Central and Eastern Europe, the two EU neighbouring countries will use in implementing the action plan and integrating in the European policies and programs not only Romania's quality as a EU member, but also the experience acquired by meeting the accession criteria and achieving the transformative processes towards Europeanization. In this respect, some key strategy elements of the relations between Romania as EU member state, on the one hand, and Moldova and Ukraine as ENP countries, on the other hand, could be mentioned:

1. creation of certain structures and mechanisms for communication, information, advice and institutional dialogue, both at the central level and at the level of the local and regional communities;
2. managing the bilateral and multilateral cooperation relations within the different regional structures to which the three countries belong towards the priorities included in the action plans; taking into account the cooperation potential and the involvement requirements as a border country, as well as the experience gathered during the pre-accession process to the European Union, Romania could have an essential contribution to:
 - *Institutionalize a sustainable democracy system*, by strengthening democracy and the rule of law, observing the human rights and the fundamental liberties (especially press and expression freedom), the administrative and justice reform;
 - *Develop the civil society and integrate the neighbour countries within the education and research European area*; support the Bologna Process implementation and the accession of the two countries to the European programs related to culture, education, professional training where young people could play an important part;
 - *Implement the economic and administrative reforms, improve the export potential, implement the European legislation related to tariff union and standards; prepare to participate in the internal market and adopt the community acquis necessary to ensure freedom of circulation and administrative cooperation*; Romania will be able to use in this respect both the possibilities to correlate the internal community policy instruments which are complementary to the ENP and the expertise acquired during the pre-accession period;

- *Strengthen the cooperation and political dialogue in the field of foreign and security policy, as well as justice and internal affairs, especially to implement the European Security Strategy, prevent terrorism, organized crime, drug traffic and slave trade, migration control and frontier management;*
3. The commercial and economic integration, according to the functionalist method implementation (considering the below analysis);
 4. Promotion of „people-to-people” contacts, especially through cooperation in the field of education, international mobility, culture and audio-visual;
 5. strengthening the cross-border and trans-national regional cooperation, with structural objectives: promote the sustainable economic and social development, improve the business environment, promote the public-private partnership, minimize discrepancies, develop the transport infrastructures, telecommunications, environment, energy, research-development, develop the informational society, information, communication, transfer of competences.
 6. Strengthening the Euro-region role. Unfortunately, even though the cross-border cooperation programs taking place within the Euro-regions already created among the three countries were in great number, their impact is still reduced. The most important factors that limit the Euro-regions efficacy are: the lack of an integrated approach of euro-regions, as an instrument of the three countries foreign policies and of their strategies of sustainable development; the lack of action plans with clearly defined objectives, axes and priorities; the relatively low economic potential of the involved regions; the lack of experience and relatively low competence of the local and regional administrative structures; the strong emphasis laid on the information and consultancy programmes, to the disadvantage of the development programmes; limited financial resources. Despite all these, the Euro-regions have promoted good neighbourhood relations and have favored the experience gathering concerning the cross-border cooperation, and this experience can be an important support in implementing the ENP, as a consequence of the potential they have especially in: information, exchange of experience and good practice; improve institutional cooperation; economic integration of the cross-border regions; development of rural contacts and solidarity. It is also a positive development that from 2007, the ENP will have a subsequent instrument, European Neighbourhood and Partnership Instrument (ENPI), with its specific feature - the cross-border cooperation component. Romania is very much interested in the ENPI projects, being Managing Authorities for two such programmes, ENPI CBC Joint Operational Programme Romania – Ukraine - Moldova and the ENPI CBC Joint Operational Programme in the Black Sea basin. At the same time, we believe that the ENP should facilitate/stimulate the development of the border areas of the EU – that have a crucial role in boosting the territorial cooperation.

In order that the bordering countries valorize the most efficiently possible the ENP context in relation to the neighbouring countries, it would be necessary to draw a strategy which implements the neighbourhood policy oriented on the ENP fields and objectives of the action plans, considering the complementary internal policies and the European Security Strategy. If it were based on the functionalism method, the ENP implementation could contribute efficiently to a high level of integration of the neighbouring countries in the European; functionalism would provide not only the advantage of flexibility by integrating only the interest fields for the involved actors, without significant constraints, but also the advantage of integration progressivity by creating the necessary generating and convergence mechanisms in a possible perspective of the countries accession to the European Union.

Wider Europe: accepting the challenge

The need to make the division between the enlarged Europe and its Member States more permeable and reduce the socio-economic disparities in the border regions, enriches cooperation initiatives by an additional meaning. Through the various cross-border cooperation programmes, the national level is losing its role as sole actor in external relations. At the same time regions, communities, and municipalities are strengthening their positions in the European integration process. Especially in the new, enlarged Europe, citizens must be given the opportunity to experience directly and personally what

European citizenship means in practice. Cross-border cultural experiences and cooperation boost Europe's cultural diversity and its shared values. Despite this, cultural cooperation remains undervalued in the EU.

Cooperation on a regional level not only contributes to a decentralized integration process, but also insures that this process take place at a governance level closer to the citizens of the enlarged Europe. This would not only ensure enhanced democratic legitimacy but also more ownership and efficiency in cross border cooperation projects. The EU will have to work with the new neighbours to stabilize borders region economies, to induce prosperity and reduce poverty that is often the root cause of social upheaval, mass illegal migration, smuggling, and crime. In order to avoid structural inequalities and the unbalanced development they entail, particular emphasis has to be put on human capital formation: the commitment of the EU set out in the Lisbon strategy to become the world's most dynamic and competitive economy in 2010, capable of sustaining growth as a result of more and better jobs and enhanced social cohesion, should not stop at the borders of the European Union. Therefore, once the enlargement process is successfully completed, the EU is duty-bound to contribute to the economic and social development of the neighbouring countries, not only at European level, but also by redefining the role it should play within the world order and reflecting the on-going processes of globalization. The EU also bears a crucial responsibility in promoting political and democratic stability, security, sustainable development and social cohesion among our neighbours, thereby creating a friendly neighbourhood based on real cooperation at all levels and across all sectors.

The achievement of a "ring of friends" around the European Union will have a beneficial effect on the political stability and economic development of both the Member States and the neighbouring countries. However, a narrow focus on extending the internal market or security aspects will not by itself ensure full cooperation between countries. The European Union must also commit itself to promoting cultural cooperation, sustainable development and economic, social and territorial cohesion by fostering intercultural dialogue is a basic ingredient of the new neighbourhood policy, and that it should be reinforced through a series of measures demonstrating the diversity encountered across Europe, focusing on respect for human rights and the fight against discrimination, racism and xenophobia. Frequently this intercultural dialogue can and should be based on policies favoring ethnic or linguistic minorities living on both sides of the borders.

There is clear and growing recognition in Europe of the need for deeper and more structured intercultural dialogue involving public authorities and civil society at all levels. This implies the shift from "multi-cultural" to "inter-cultural" societies. To underline this priority, the European Commission has endorsed Commissioner Ján Figel's proposal to make 2008 the European Year of Intercultural Dialogue.¹⁹⁵ When presenting this proposal, Ján Figel', European Commissioner with responsibility for Education, Training, Culture and Multilingualism, stated: "Over the past few years, Europe has seen major changes resulting from successive enlargements of the Union, greater mobility in the Single Market, and increased travel to and trade with the rest of the world. This has resulted in interaction between Europeans and the different cultures, languages, ethnic groups and religions on the continent and elsewhere. Dialogue between cultures would therefore appear to be an essential tool in forging closer links both between European peoples themselves and between their respective cultures." Generally speaking, the European Year is expected to: promote intercultural dialogue as an instrument to assist European citizens, and all those living in the European Union, in acquiring the knowledge and aptitudes to enable them to deal with a more open and more complex environment and to raise the awareness of European citizens, and all those living in the European Union, of the importance of developing active European citizenship which is open to the world, respectful of cultural diversity and based on common values.

¹⁹⁵ "The Commission adopted on 5 October 2005 a proposal for a Decision of the European Parliament and of the Council to declare 2008 "European Year of Intercultural Dialogue".

Conclusion

There is no official geographical limit to the European Union and there will be none for quite some time. This will remain an unwritten rule. It raises obvious issues for EU economic governance. First, because the EU is composed of various areas, or "spaces," each with its own operating rules, and the interworking between them has not been provided for anywhere. Second, because the necessary EU institutional reforms are mired in the tradeoff between "deepening" versus "enlargement" of the Union. Finally, and perhaps most importantly, because it is hard to for "Europe" to project itself forward, as a united and unifying whole, when it is in a state of flux. In other words, "Europe" must currently recognize itself not as a body, but rather a core, with various peripheries; it must also recognize that working from a core area with a "project" for Europe can provide renewed impetus for the EU to move forward.

Instead of limits and borders, the debate on the future of Europe should focus on the next frontiers of the European Union. Borders are restrictive. Borders limit our minds, chain actions, and reduce our influence. Frontiers are innovative. Frontiers free our minds, stimulate action, and increase our influence¹⁹⁶. Today in Europe we are facing the challenges of the increased need of young people for intercultural dialogue, understanding and cross border cooperation, as tools for prevention of culture, religion and social based conflicts. The EU realized well before the 2004 enlargement that it needed to create a new policy for the new Eastern neighbours. According to the initial discussions in the Council in 2002, the new neighbourhood policy addressed only Ukraine, Belarus and Moldova, with a special focus on Ukraine. Both the European-oriented new neighbours and the new member states (candidates at that time) challenged the "Russia first" approach and called for a proactive EU policy that would aim to integrate the neighbours. In this respect, the European Neighbourhood Policy was created to: develop closer cooperation, encourage investment, support governance, and sustainable development that lead to a more secure, stable and prosperous Europe. Reshaping domestic political and economic structures will enhance overall security and offer a far firmer basis for stability than strategies based on containment and deterrence. There are obvious limits to what the ENP can and cannot achieve. The key factor for success will be the willingness of both partners to use all the ENP instruments in a positive and forward-looking manner.

The impact of the European Neighbourhood Policy will ultimately depend on its influence on economic development in the new neighbours. So far, it is easier to find reasons for skepticism than optimism. Although the ENP seeks to ease trade restrictions through the implementation of legislative approximation and convergence with EU standards, prospects of access to the EU's single market seem rather far away. The lack of measures to promote increased labour migration between the new neighbours and the enlarged EU may also be something of a missed opportunity. On the plus side, access to the single market could improve significantly under the ENP.

Furthermore, the Union can benefit from your experience with your neighbours. European Neighbourhood Policy aims at sharing with its neighbours the stability, security and prosperity already created within the enlarged Union. Common concerns are needed, both political and economic, and it is necessary to avoid new dividing lines being drawn across Europe and barriers across the Mediterranean and the Black Sea. Romania should play a key role, building on its existing links, in assisting the EU in creating good and stable neighbourly relations, notably with the Republic of Moldova and Ukraine.

Whether these benefits will be sufficient to push recalcitrant reformers to adopt robustly European policy agendas remains to be seen. Government interest in reforms seems likely to depend largely on eventual prospects for EU membership. The ENP does little to remove fears in this respect. Indeed, its emerging role as substitute for EU membership could make the ENP ineffective, if not counterproductive.

Fundamentally, the neighbourhood policy has yet to show what it is meant to be. It could be a modest mechanism for mitigating the unfavorable effects of the enlargement for border regions. It could also be an attempt to motivate a serious 'Europeanization', in the sense of political, economic and societal transformation of neighbouring states.

¹⁹⁶ Olli Rehn (2006), *Europe's Next Frontiers*, October 4, 2006 lecture at Bilkent University Ankara

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POLITICS OF COHESION AND STRUCTURAL FUNDS SUPPORT OF THE REORGANIZATION AND MODERNIZATION PROCESS FOR THE MEMBER STATES

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Abstract: For a harmonious development of the EU member states a series of structural funds have been initiated. Due to its belonging to the EU, Romania is directly interested in being introduced to these funds and using them efficiently. A major importance represents a good use of the structural instruments which provide the appliance of the EU politics of cohesion.

Keywords: cohesion, funds, applications, impact.

Politics of cohesion of the EU and Structural Funds

1. General position

According to the stipulations of the art.158 of the Treaty:

“In order to promote the harmonious development on all her contents, the Community will initiate follow actions which will lead to and strengthen the economical and social cohesion. Particularly, the Community will follow the reduction of the disparities between the development levels of different regions and the falling behind of the less developed regions, or islands, including rural areas.

The art.159 of the Treaty specifies that these actions are supported by the Structural Funds, the European Investment Bank and other existent financial tools.

The differences between the regions of the member states of the EU are connected to:

- infrastructure
- the quality of the environment
- the unemployment rate and the abilities of the working force which are relevant to the development
- the size and diversity of the businesses
- the level of innovation and the use of technology in business

Politics of cohesion of the EU is destined to reduce these differences and economical difficulties which are generated in order to improve the functioning of the European Unique Market.

Existent issues of the regional development of Romania

- the increase of development disparities between the region Bucharest- Ilvof and the other regions
- the unbalanced development between the East and the West, meaning the North –Eastern regions, South -East, South, South -West and the Western regions, North –West, Central
- the chronicle lack of development is focused in the North –Eastern region, at the border with Moldavia and the South region along the Danube
- the existence of some important disparities between regions which reflect the mosaic structure of the economical development: inside the regions coexist both poorly developed areas as well as relatively developed ones
- the massive decline of small and medium cities, especially mono industrial cities, generated by the industrial reorganization
- the low rate of appeal of most regions