



ENLARGEMENT AND INTEGRATION CAPACITY

A FRAMEWORK FOR ANALYSIS

Frank Schimmelfennig

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Frank Schimmelfennig

Abstract

The paper conceptualizes “integration capacity” and develops a dynamic model of enlargement in order to provide a basic framework for analysis for MAXCAP. Based on the EU policy debate on integration capacity, the paper distinguishes internal and external integration capacity. Internal capacity denotes the preparedness of the EU to enlarge; external capacity refers to the preparedness of nonmembers to integrate with the EU. The major components of internal integration capacity are policy-making capacity (decision-making capacity, implementation capacity, and financial stability), public support, and institutional reform; external integration capacity is based on democracy, good governance, economic capacity, regulatory alignment, and public support in the nonmember states. Both internal and external integration capacity are the major supply factors for enlargement, understood as a gradual process of horizontal integration. The paper then theorizes the factors that affect internal and external integration capacity and their impact on enlargement. Veto players and weak state capabilities are the major domestic obstacles in the nonmember states, which can, however, be compensated by EU capabilities, the ability of the EU to build transnational coalitions, and an effective negotiation design. Internal integration capacity improves the EU’s ability to help nonmember countries prepare for closer integration. Finally, the paper theorizes positive and negative feedback effects from one enlargement to another.

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Contents

1. Introduction	5
2. The Concept of “Integration Capacity”: from Policy Debate to Research	6
2.1 <i>The Policy Debate</i>	6
2.2 <i>Integration Capacity as a Latent Concept</i>	8
2.3 <i>Internal Integration Capacity</i>	10
2.3.1 <i>Public Support</i>	10
2.3.2 <i>Institutional Reform and Deepening</i>	11
2.3.3 <i>Policy-Making and Implementation</i>	12
2.4 <i>External Integration Capacity</i>	13
3. Enlargement	15
4. Integration Capacity and Enlargement: Static Analysis	17
4.1 <i>Domestic Obstacles to Integration Capacity</i>	18
4.2 <i>Modes of Integration</i>	19
4.3 <i>Factors of External Integration Capacity</i>	20
4.4 <i>Factors of Internal Integration Capacity</i>	21
5. Dynamic Analysis	22
5.1 <i>Stages of Horizontal Integration</i>	22
5.2 <i>Feedback Effects of Enlargement</i>	23
6. Conclusion	27
7. References	28

1. Introduction

This working paper establishes a general framework of analysis for the FP7 project on “Maximizing the Integration Capacity of the EU” (MAXCAP). The paper conceptualizes “integration capacity”, the core concept of MAXCAP and develops a dynamic model of enlargement to guide the analysis.

The framework of analysis needs to take into consideration what kind of project MAXCAP is. First, MAXCAP is a collaborative “project of projects”. In contrast to a tightly-knit single research project, the goal for a framework of analysis is thus not to establish a research design but to strengthen the coherence of MAXCAP, link the work packages with each other, and ensure that the results of the individual work packages can be aggregated and synthesized in the final stages of MAXCAP. For a list of the work packages, see Table 1 below.

Table 1: MAXCAP Work Packages

<p>WP1: The transformative power of Europe: political and economic effects of enlargement on nonmember and new member states</p> <p>WP2: Effective decision-making, differential integration, and implementation in an enlarged EU: the impact of enlargement on policy-making</p> <p>WP3: Citizens' perceptions of, attitudes towards and discourses on enlargement: public perceptions and support</p> <p>WP4: Designing the enlargement process: strategies and negotiations</p> <p>WP5: Modes of political and economic integration</p>

Second, MAXCAP is an outcome-centric project at its core. This means that the main goal of the project is not to test the explanatory power or scope of theoretical models (such as intergovernmental bargaining) or specific variables (such as public opinion). Rather, MAXCAP seeks to explain the outcomes of the EU’s enlargement process – and to assess conditions and mechanisms for improving those outcomes. MAXCAP investigates how a multiplicity of factors affect enlargement in combinations and how the EU might maximize its integration capacity for current and future enlargements.

This framework paper is then intentionally modest. First, it does not specify a comprehensive theoretical framework. Given the outcome-centric character of MAXCAP and the diversity of its component projects, theoretical pluralism is the best venue. Each MAXCAP project draws on the relevant theories and explanations in its substantive area of study and on a variety of theoretical approaches and factors to examine what “maximizes” or weakens integration capacity. Second, it does not specify a research design and a method. Again, the subprojects of MAXCAP will use a variety of designs and methods adapted to their objects of study, the nature and availability of data, and the number of cases they focus on.

What unites the subprojects is their common focus on “integration capacity” in the context of enlargement. Integration capacity is the main variable of MAXCAP; each work package is designed to study particular dimensions and determinants of integration capacity and how they are related to enlargement. As a result of their research, all projects aim at coming up with a descriptive analysis of the EU’s integration capacity in their specific area of study – and with tested propositions on what has and hasn’t worked to enhance the EU’s integration capacity. They further examine how integration capacity has affected, and has been affected by, enlargement.

The framework for analysis has three goals. First, it conceptualizes “integration capacity”, the core concept of MAXCAP. Section 2 starts with the policy debate of 2005 and 2006 on integration capacity; it then proposes a “concept tree” of the dimensions and sub-dimensions of integration capacity, which will be analyzed in the work packages. The conceptualization distinguishes internal and external integration capacity and also offers indicators that can be used to measure the EU’s integration capacity. Section 3 conceptualizes “enlargement” as a process of gradual horizontal integration. Finally, the framework paper proposes a model and several hypotheses about how integration capacity and enlargement affect each other for each step of enlargement (Section 4) and over time (Section 5). In a nutshell, integration capacity helps overcome obstacles on the way to enlargement, and depending on how enlargement affects integration capacity, enlargement facilitates or impedes further enlargement. This model serves as a starting point for the analysis and as an initial template for the synthesis of the project results.¹

2. The Concept of “Integration Capacity”: from Policy Debate to Research

2.1 *The Policy Debate*

The concept of “integration capacity” originated in EU policy rather than academic discourse. It reflects a long-standing concern of the EU about potential detrimental effects of enlargement on the functioning of the EU and future integration. Whereas the Copenhagen Criteria of June 1993 are mostly known for the conditions that candidates need to fulfill ahead of accession, they also contain a paragraph stating that the “Union’s capacity to absorb new members, while maintaining the momentum of European integration, is also an important consideration in the general interest of both the Union and the candidate countries” (European Council 1993).

The concept gained additional prominence and relevance in the debate that followed the EU’s “big bang” enlargement of 2004, the failure of the Constitutional Treaty in 2005, and the controversial decision to

¹ I thank the participants of MAXCAP for their most valuable comments on previous versions of this paper. Special thanks go to Tanja Börzel and Antoaneta Dimitrova for their input, to Heather Grabbe and Uli Sedelmeier for their comments at the MAXCAP kick-off conference, and to Daniela Chodorowska for editing the text.

admit Bulgaria and Romania (Emerson et al. 2006). It reflected the EU's "enlargement fatigue" at the time: manifest public anxieties and dissatisfaction concerning enlargement that contributed to the failed referendums in France and the Netherlands and growing concern about quick progress towards the accession of further candidates that appeared not to be fit for membership or were highly controversial among the member states (Turkey in particular). Several member state governments, most prominently France and Germany, emphasized that the EU's "absorption capacity" needed to be given more importance in future enlargement decisions of the EU, whereas others (such as Britain, Poland, and Sweden) argued for keeping the EU open and against erecting new barriers.

The European Parliament's resolution on the Commission's 2005 enlargement strategy paper also put special emphasis on absorption capacity and requested that the Commission submit a report by the end of the year "setting out the principles which underpin this concept" (European Parliament 2006). In addition, the EP advocated a "broader spectrum of operational possibilities", namely a "close multilateral relationship" both for countries without membership prospects and, as an intermediate arrangement, for candidate countries as well.

This policy debate led the European Council at its June 2006 meeting to conclude that it "will be important to ensure in future that the Union is able to function politically, financially and institutionally as it enlarges, and to further deepen the Europe's common project." The European Council decided to have a debate at its next meeting "on all aspects of further enlargements, including the Union's capacity to absorb new members" and joined the EP in calling for the Commission to provide a special report "on all relevant aspects pertaining to the Union's absorption capacity", including the "perception of enlargement by citizens" (European Council 2006).

In its 2006-2007 enlargement strategy (European Commission 2006), the Commission changed the controversial and presumably pejorative term "absorption capacity" to "integration capacity". It also tried to render the term more "functional" (as opposed to "political") and more procedural (rather than establishing new criteria for accession).

The EU's absorption capacity, or rather integration capacity, is determined by the development of the EU's policies and institutions, and by the transformation of applicants into well-prepared Member States. The capacity of would-be members to accede to the Union is rigorously assessed by the Commission on the basis of strict conditionality. Integration capacity is about whether the EU can take in new members at a given moment or in a given period, without jeopardizing the political and policy objectives established by the Treaties. Hence, it is first and foremost a functional concept. The Commission will in the future prepare impact assessments at all key stages of the accession process. Where such assessments are made, the specific characteristics of each country will be taken into account.

The Commission specified "three main components: institutions, common policies and budget. The Union needs to ensure that its institutions continue to act effectively, that its policies meet their goals and

that its budget is commensurate with its objectives and with its financial resources.” On institutions, the Commission highlighted the need for a new institutional settlement “by the time the next member is likely to be ready to join”. With regard to policies and the budget, the Commission proposed including impact assessments in both its Opinions on the applicant countries and the EU’s positions for the accession negotiations. In addition, the Commission expressed its commitment to even more rigorous conditionality: “Good preparation by candidate countries facilitates their smooth integration into the EU.” Finally, the Commission emphasized the need for “better communication” of the “benefits and challenges of enlargement” – but as primarily a task for the member states. The European Council endorsed the strategy and effectively put an end to the policy debate on integration capacity.

2.2 *Integration Capacity as a Latent Concept*

MAXCAP starts from the policy debate about integration capacity and ultimately seeks to make a contribution to it. At the same time, we plan to use “integration capacity” as a scientific concept and as the core variable in our analysis of EU enlargement. This is not straightforward. “Capacity” is a latent concept. In contrast to “integration” as such, which can be measured based on behavioral or institutional data (for instance, as the level and scope of EU policy competences; see Börzel 2005 or Leuffen et al. 2013), “integration capacity” – the ability or power to integrate – is fundamentally unobservable. There are basically two ways to work around this problem, one focusing on the presumed *factors* of integration capacity, the other focusing on the presumed *outcome*: enlargement.

For one, we can start from a theory of the *factors* that are supposed to determine the EU’s ability or power to integrate. Measuring these factors – e.g. favorable public opinion, converging government preferences, strong competences of the Commission, and democratic consolidation in the candidate countries – and aggregating them then gives us a measure of integration capacity. This is very close to the Commission’s approach described in the previous section.

There are several problems with this approach to be borne in mind. The first problem is that we do not have a strong theory of integration capacity yet but rather a tentative list of factors that we assume to influence the EU’s integration capacity. This list is based on the EU policy debate, the Commission’s definition of integration capacity and previous research on enlargement. It is precisely one of the goals of MAXCAP to find and test various factors contributing to and “maximizing” integration capacity. Second, it is also not clear which of these factors are *causally related* to enlargement and which are conceived as *desirable accompaniments* of enlargement. Whereas we might like to see enlargement to be accompanied by policy-making efficiency and sustained momentum for deepening, it is not obvious at all that these factors have a causal influence on actual enlargement decisions and events. The Commission’s list of factors is more in line with the “desirable accompaniments” than the “causal effects” approach: quite obviously, the policy debate was triggered precisely by the perception that enlargement had taken place in the absence of sufficient integration capacity. Finally, this operationalization does not include any observations of the

outcome: in an extreme case, we might observe high integration capacity without any actual integration. Yet it would be counter-intuitive to attribute high integration capacity to a European Union that it prepared nonmember states well, improved policy-making effectiveness, and agreed on institutional reform – but failed in the end to strengthen its institutional ties with nonmembers and admit new member states.

Alternatively, we could measure integration capacity by the *actual enlargement outcome*, simply assuming that enlargement is a manifestation of integration capacity. In this case, potential observable indicators for integration capacity are association agreements, the starting and conclusion of accession negotiations, and of course the actual accession of new members. Whatever leads to more integration of nonmembers must by definition be a result of positive integration capacity – and what leads to more integration must follow from higher integration capacity. This conceptualization would allow us to analyze which factors of integration capacity are actual causes of enlargement. On the other hand, however, it may disregard the desirable features of integration capacity that have featured in the policy debate and in the Commission documents.

The framework for analysis proposed in the remainder of this paper seeks to combine the advantages of both conceptualizations of integration capacity and to avoid their respective disadvantages. First, it keeps “integration capacity” and “enlargement” conceptually distinct. This allows us to draft a list of desirable features of integration capacity, which may or may not be causally related to enlargement (this section). Second, however, it conceives of “integration capacity” and “enlargement” as potentially causally related. The framework allows us to theorize and test the relationship between integration capacity (or its individual dimensions), on the one hand, and enlargement, on the other (Section 4). Third, it conceptualizes “integration capacity” and “enlargement” in a dynamic way (Section 5). Integration capacity may be both cause and consequence of enlargement. Moreover, whereas some dimensions of integration capacity may be causal factors of enlargement, others may not *cause* enlargement but *be caused by* enlargement (and potentially affect enlargement in the future).

Figure 1: Concept tree of “integration capacity”

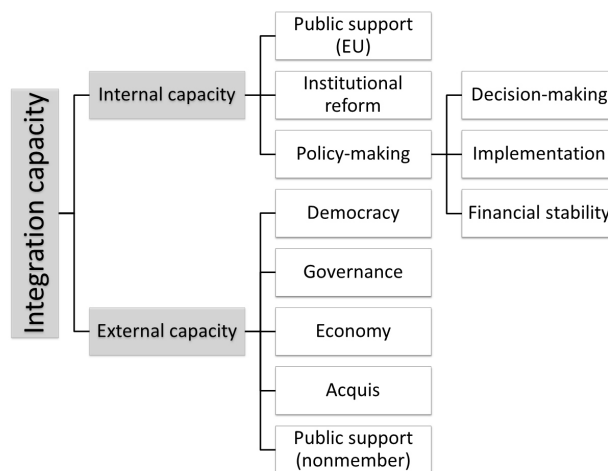


Figure 1 gives an overview of the concept of integration capacity in the form of a “concept tree”. Descriptively, integration capacity is defined as being ready for enlargement. The core dimensions of integration

capacity are *internal* and *external* integration capacity, both comprising several further attributes. Internal integration capacity denotes the preparedness of the EU to enlarge; external integration capacity refers to the preparedness of nonmembers to integrate with the EU. In terms of a “desirable features” definition, internal capacity comprises several attributes that should be present in the EU before and after enlargement; external capacity consists of attributes that should be present in nonmembers ahead of integration with the EU. According to a causal interpretation, we assume that positive values for the attributes of internal and external integration capacity make enlargement more likely.

2.3 *Internal Integration Capacity*

Internal integration capacity has been the main focus of the policy debate in the mid-2000s. Largely in line with the Commission’s definition of integration capacity, we take internal integration capacity to include *public support* for enlargement and the EU more generally, *institutional reform* (i.e. “maintaining the momentum of European integration”, as formulated in the Copenhagen criteria), and *policy-making*. Policy-making refers to the main components of integration capacity defined by the Commission: decision-making capacity and implementation capacity (including effective compliance and enforcement), and financial/budgetary stability.

2.3.1 *Public Support*

Public support is not only a normatively desirable feature of internal integration capacity: it has also become a potential causal influence on EU enlargement. Whereas accession has long been subject to popular referendums in acceding countries, the old member states have so far limited themselves to parliamentary ratification of accession treaties, thus limiting the impact of mass politics on enlargement. There are, however, strong indications that enlargement is affected by the same shift from “permissive consensus” to “constraining dissensus” (Hooghe and Marks 2008) as European integration and EU politics in general. First, dissatisfaction with enlargement has been an important factor in the negative referendum outcomes on the Constitutional Treaty in France and the Netherlands. Second, parties (and not only Euro-skeptic parties) have used enlargement-related concerns in the public to mobilize voters. As a consequence, domestic political debates on the desirability of specific candidates and enlargement in general are nowadays led in the shadow of the ratification votes taken by national parliaments on accession treaties. Possibilities for referenda create further momentum for enlargement discourses to develop in the domestic political arena. For example, the Austrian and French governments announced to hold a referendum on the accession of Turkey when accession negotiations started in 2005. Finally, whereas there has been a broad consent in favor of enlargement in the 2004/07 accession countries, both Iceland and Turkey exhibit severe domestic contestation reminiscent of the Nordic countries and Switzerland.

In order to assess internal capacity, we therefore examine citizens' attitudes towards and perceptions of the enlarged Union as well as the political discourses which may strengthen certain positive or negative orientations and identities. This is crucial for establishing the preferences of member states towards future enlargements and the EU's credibility in offering a membership perspective. If we find that attitudes towards the EU and the last enlargement are embedded in negative discourses towards enlargement in general, this points to the current limits of the enlargement process. We investigate, compare, and contrast positive and negative discourses on enlargement in old member states, new member states as well as in current and potential candidates. Finally, we need to assess whether and under what conditions public perceptions and public opinion as well as enlargement discourses actually affect enlargement.

2.3.2 *Institutional Reform and Deepening*

The relationship and alleged trade-off between “widening” and “deepening” has been a long-standing topic in the theory and in policy debates of European integration (see, e.g., Kelemen et al. forthcoming). Empirically, there is little evidence for such a trade-off. Historically, vertical and horizontal integration have gone hand in hand in European integration (see, e.g., Leuffen et al. 2013). EU enlargement has not prevented deepening and often spurred institutional reforms. Partly, new member states have brought in new interests and capabilities that have led to an expansion of policy scope. Partly, institutional reforms were introduced precisely in anticipation of and in order to compensate for enlargement.

There is more evidence that enlargement has contributed to more differentiated integration. Accession treaties regularly contain transitional arrangements exempting or excluding new members from particular rights and obligations of membership. Normally, these arrangements are just that – transitional. The differentiation effect of each enlargement round has generally disappeared after less than 10 years (Schimmelfennig and Winzen 2014). Yet enlargement introduces diversity into the membership that may lead to differentiation in later treaty revisions: the new members of the first enlargement have remained the main drivers of differentiated integration to this date. Moreover, it remains to be seen whether the EU's integration capacity will be strong enough to include all new members in all of its policies, i.e. adopt the euro and join the Schengen zone. To assess “institutional reform”, we can thus distinguish:

- *Deepening*: How has enlargement affected the *scope* of integrated policies and their *level* of centralization (Schmitter 1969; Börzel 2005; Leuffen et al. 2013)?²
- *Differentiation*: How has enlargement affected the extent of differentiation, i.e. the number of differentiated policies and the number of countries that do not participate in a given policy (Schimmelfennig and Winzen 2014)?

² Scope (the number of integrated policy areas) and level (“the extent of commitment to mutual decisionmaking”) are basic measures of integration, originally proposed by Schmitter (1969). Note, however, that other authors have subsequently changed the usage of these terms (e.g. Lindberg and Scheingold 1970; Börzel 2005).

2.3.3 Policy-Making and Implementation

The most encompassing issue of internal integration capacity by far is policy-making capacity. Policy-making capacity has two major dimensions: decision-making capacity and implementation capacity. In addition, the Commission emphasized “financial stability” as a further dimension of integration capacity. Enlargement increases not only the number of member states but often also the heterogeneity of their preferences and capacities. Heterogeneous preferences and capacities may in turn affect the EU’s decision-making and implementation capacity negatively (see, e.g., Tsebelis and Yatağanas 2002). The sheer number of member states may increase transaction and monitoring costs and slow down decision-making. Preference heterogeneity is likely to make it more difficult to reach agreement.

To assess *decision-making capacity*, the following indicators can be used:

- *Volume*: How has enlargement affected the number of (legislative) decisions produced by the EU per unit of time?
- *Speed*: How has enlargement affected the time it takes to pass legislation from proposal to coming into effect?
- *Legalization*: How has enlargement affected the legal quality of decisions? Have they become more or less binding and enforceable (e.g. Community method vs. OMC)? According to Abbot et al. (2000), high legalization is characterized by legally binding rules, in particular if they take direct effect, and by third-party rule enforcement, above all independent courts.
- *Flexibility*: Has EU legislation become more flexible or differentiated as a result of enlargement? Has it become “looser”, i.e. offering member states more leeway in terms of implementation?

Enlargement – and the accession of post-communist countries in particular – presents also a challenge for the EU’s implementation capacity. Admitting countries with relatively weak governance and administrative capacity may undermine compliance with EU law, especially once membership – as the key incentive for compliance – is no longer conditional (Epstein and Sedelmeier 2008; Schimmelfennig and Sedelmeier 2004). Some studies suggest that compliance in the new members is not any more problematic than in the older members (Sedelmeier 2008, 2009; Toshkov 2008, 2012) and have studied the conditions under which institutional change induced through accession conditionality might be sustainable (Dimitrova 2010; Sedelmeier 2012). Other studies have raised doubts whether the good compliance record of the new member states might be due to a comparatively greater incidence of undetected non-compliance when it comes to the practical application of EU law (Falkner and Treib 2008).

To assess *implementation capacity*, we can draw on established dimensions of EU compliance research:

- *Legal transposition*, i.e. whether and how the timely and correct transposition of EU rules has changed as a result of enlargement. Established indicators are transposition rates and infringement proceedings regarding delayed and incorrect or incomplete transpositions of directives.
- *Practical Application*: the practical implementation of EU rules in the new member states. The study of practical application can draw on data for infringement proceedings regarding incorrect application as well as on expert surveys.

For both dimensions, the question is how well new members (and, to some degree, nonmembers) comply in comparison and which factors drive compliance. Finally, *financial and economic stability* can be measured by conventional macroeconomic indicators such as growth, unemployment, inflation, current account balance, and sovereign debt.

In sum, measuring and describing internal integration capacity in terms of public support, institutional reform, and the various dimensions of policy-making capacity offers us an assessment of the EU's preparedness for enlargement; it also allows us to study the relationship between internal integration capacity and enlargement – both as a *cause* and as a *consequence* of enlargement.

2.4 External Integration Capacity

In contrast to internal integration capacity, *external integration capacity* refers to the preparedness of nonmember states for enlargement. The main attributes of external integration capacity were established as the “Copenhagen Criteria” for enlargement in 1993. The following list of attributes is largely in line with these criteria. For one, external integration capacity is based on *democratic consolidation*, including the rule of law, human rights, and minority rights and other political reforms (Kelley 2004; Pridham 2005; Schimmelfennig 2005; Schimmelfennig et al. 2003, 2006; Sedelmeier 2014; Vachudova 2005). At a less institutional level, *organized actors and intermediate spheres* such as civil society, interest groups, the public sphere, parties, and political culture are of interest as well. The second dimension of external integration capacity is the *governance capacity* of nonmember and new member states. This includes, inter alia, administrative capacity, the quality of public services, regulatory quality, and the level of corruption.

Third, external integration capacity is based on the *economy* of nonmember countries. Again according to the Copenhagen criteria, candidate countries are required to establish functioning market economies and ready themselves for participation in the internal market. External integration capacity can be measured, e.g., in terms of growth, wealth, and equality as well as economic interconnectedness measured by trade and investment dependence or openness. In general, the economic indicators as used to measure the economic and financial stability of the EU and its member states can be measured for nonmember states as well in order to assess both internal and external economic and financial integration capacity. Institutionally, the focus could be on nonmember and new member regulatory and welfare regimes.

The study of political, administrative, and economic effects can draw on a variety of quantitative indicators and data sets such as Polity IV and the Freedom House ratings for democracy, the World Bank's World Governance Indicators and the Bertelsmann Transformation Index for “good governance”, and the World Bank's World Development Indicators and Eurostat as well as OECD data for economic development. In addition, external integration capacity shows in the approximation to, or the transfer of, the EU's *acquis communautaire* to nonmember states.

Finally, we need to take into account that external integration capacity also depends on public support – in the nonmember states. In the Eastern enlargement of 2004 and 2007, positive attitudes towards European integration and support for EU membership were mostly taken as an unproblematic given but EU enlargement policy clearly affects public support. In general, public support in candidate countries has decreased as conditionality has started to bite and people have become aware of the costs of membership. The effect was most striking in Turkey when a formerly EU-enthusiastic citizenship came to think in the mid-2000s that Turkey was not really wanted as a member and treated unfairly. The EU's external integration capacity thus also consists in its ability to raise and uphold public support in non-member states throughout the enlargement process.

To sum up, external integration capacity increases with democratic consolidation and governance capacity in nonmember and new member states, their economic and legal approximation with the EU, and their public support for European integration. According to EU enlargement policy, these are the desirable or even required features of countries, with which the EU seeks closer integration. Measuring them allows us to assess a nonmember country's aptitude for enlargement. This measurement is also a first step towards examining whether and to what extent external integration capacity is a cause and/or consequence of enlargement.

To conclude, the dimensions of internal and external integration capacity provide a rich conceptualization that allows us to describe and assess integration capacity in a multi-faceted way. Whereas this conceptualization will hardly enable us to aggregate the dimensions and come up with a single measure of integration capacity, it allows us to detect strengths, weaknesses, and imbalances of integration capacity. Each work package studies specific aspects of integration capacity both in a descriptive and explanatory analysis. What is the current state of integration capacity in the EU and nonmember countries? How has it developed during the enlargement process of the past 10-15 years? How can we explain variation in integration capacity across time, policies, and nonmember as well as new member states? What can be done to increase and "maximize" integration capacity in its various dimensions? The main relationship to be researched, however, is that between integration capacity and enlargement. How does integration capacity affect enlargement and vice versa? The next section will therefore focus on the concept and measurement of enlargement.

3. Enlargement

“Enlargement” is understood here as a gradual process of territorial extension of the EU and its integrated policy regimes, which goes beyond the dichotomy of members and non-members (see, e.g., Schimmelfennig and Sedelmeier 2002; Leuffen et al. 2013). This territorial extension may or may not be linked to formal and full membership. It includes integration below the level of membership in the EU’s various forms of association as well as membership without full policy integration such as non-participation in the Schengen area of the Eurozone. The EU’s system of graded membership has evolved historically since the 1960s, when first association agreements were concluded with Greece and Turkey, and has become ever more fine-grained. Currently we can distinguish three basic grades of membership: “member”, “associated country” and “non-associated country” with several sub-types (Table 2). *Non-associated countries* do not have a macro-institutional arrangement with the EU that regulates negotiation, decision-making, or compliance procedures across policies (although they may have entered into other contractual relationships such as preferential or non-preferential trade agreements with the EU). *Association* comes in many forms and intensities.

- “*Neighbors*” are those countries that participate in the European Neighbourhood Policy (ENP). In contrast to candidates and quasi-members, they do not have an explicit membership perspective, although membership has not been ruled out explicitly either.
- “*Candidates*” are those countries with a membership perspective. The EU sorts candidates into different sub-groups. Those countries that obtain a general accession perspective are referred to as “potential candidates”. Once countries have made sufficient progress in meeting EU conditions, they receive official candidate status. The next step is the start of accession negotiations.
- “*Quasi-members*” have a membership perspective but no interest in membership. They seek selective integration without membership as in the European Economic Area (EEA).

Finally, we can distinguish *fully and differentially integrated members*. Typically, accession is accompanied by transitional arrangements that exclude the new members from specific rights and obligations of membership for a limited period of time. It makes sense, however, to reserve the status of differentially integrated members to those that are excluded or exempted from entire policies such as the euro, Schengen, or the internal market for labor.

In the broad meaning of the term employed here, enlargement takes places whenever states “upgrade” their membership status on the way from non-association to full membership. In addition, they may increase their integration with the EU at the same status level by expanding the number of policies in which they adopt EU rules or by accepting supranational monitoring and enforcement in policy areas in which they already cooperate with the EU. Were Switzerland to accept supranational supervision and dynamic incorporation of new legislation, and were Ukraine to sign and implement the Deep and Comprehensive Free Trade Agreement (DCFTA) with the EU, their horizontal integration would be deepened.

Table 2: Overview of graded membership in the EU

Status	Detailed status	Definition	Countries (European non-member and new member states since 2004)
Member state	Fully integrated member		Estonia, Latvia, Malta, Slovakia, Slovenia
	Differentially integrated member	Non-participation in individual policies	Bulgaria, Croatia, Cyprus, Czech Republic, Hungary, Lithuania, Poland, Romania
Associated state	Candidate (negotiating)	Ongoing accession negotiations	Iceland (suspended), Montenegro, Serbia, Turkey
	Quasi-member	Selective integration without membership interest	Liechtenstein, Norway, Switzerland
	Candidate (official)	Accession negotiations not started	Macedonia
	Potential candidate	Membership perspective	Albania, Bosnia-Herzegovina, Kosovo
	Neighbor	Selective integration without membership perspective	Armenia, Azerbaijan, Georgia, Moldova, Ukraine plus Mediterranean ENP countries
Non-associated state		Non-participation in macro-institutional arrangements	Belarus, Russia

In more detail, enlargement can be measured on the four following dimensions: number, scope, level, and speed.

- *Number.* How many countries have upgraded their status or extended and deepened their policy integration with the EU? The 2004 enlargement indicates higher integration capacity than the 2013 accession of Croatia.
- *Scope.* How many EU policies has a country adopted? Whereas the accession process leaves little room for variation in scope, neighborhood countries differ widely with regard to the policies covered in their Action Plans and the rules they approximate.
- *Level.* How deep is the integration in any given policy area? As mentioned above, DCFTAs are “deeper” than simple trade agreements, and the EEA is “deeper” than the set of bilateral agreements with Switzerland.
- *Speed.* Finally, how fast have the EU and third countries been able to upgrade membership in the EU system? In this regard, the stalled accession negotiations with Turkey and Iceland indicate low integration capacity.

To be sure, these dimensions will be difficult to aggregate into a single value for enlargement. They offer, however, a richer description of horizontal integration and, consequently, a more adequate analysis of integration capacity than one that is only based on movements on the distinction of members and non-members or the basic grades of membership.

4. Integration Capacity and Enlargement: Static Analysis

Sections 2 and 3 conceptualized integration capacity and enlargement. In this section, I propose a model and several simple hypotheses on how integration capacity and enlargement affect each other. These conjectures should be considered as examples and starting points for the analyses that will be conducted in MAXCAP.

The static analysis refers to each individual enlargement step, i.e. the upgrading of a nonmember state's institutional status with the EU. Static analysis shows, for instance, under which conditions non-associated countries become associated with the EU, potential candidates become candidates, and candidates become members.

In the past decade, research on enlargement has been informed by the assumptions of, and controversy between, the two major variants of institutionalism: rationalist and constructivist (or sociological) institutionalism (Schimmelfennig 2003; Schimmelfennig and Sedelmeier 2002, 2004, 2005; Sedelmeier 2005). The conjectures in this section are formulated at a level of abstraction that aims to capture both rationalist and constructivist conditions and mechanisms.

Figure 2: *Framework for static analysis*

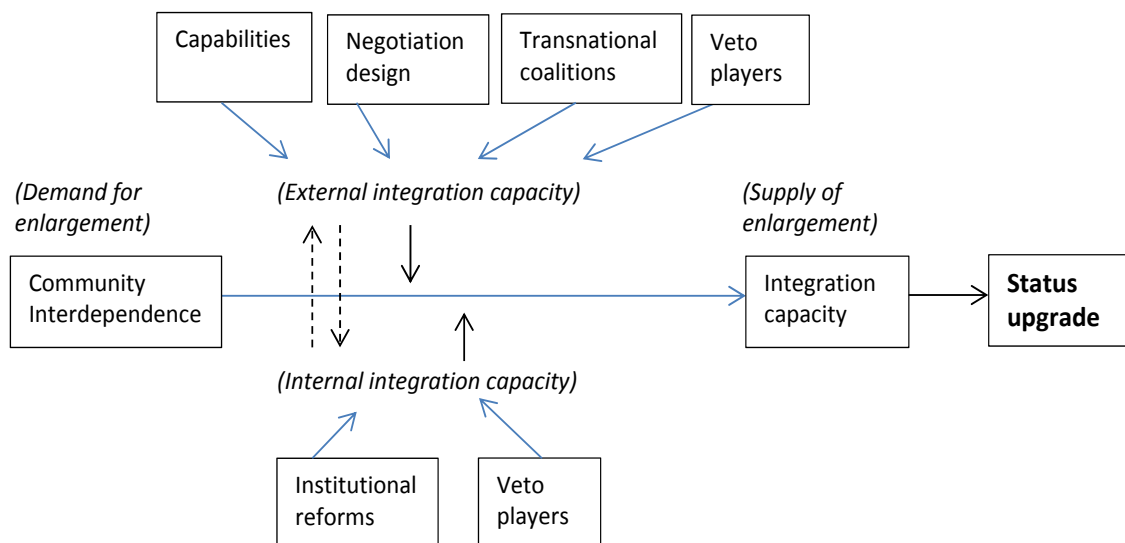


Figure 2 illustrates the static analysis. To start, let's assume that enlargement depends on demand and supply factors. For the static analysis, I treat demand for (more) integration as exogenous. Demand can have various origins. In line with constructivist assumptions, it may be based on 'community', i.e. shared values, norms, and identities of the EU and nonmembers. In a rational perspective, it is likely to be triggered by a situation of international interdependence between the EU and nonmembers, which creates opportunities for benefits from integration (Schimmelfennig 2003).

- (1) *Demand for integration increases with community and/or interdependence.*

Whatever the demand is based, it is unlikely to create automatic supply (i.e. enlargement). Supply depends on capacity. There is likely to be a gap between the status quo of internal and external integration capacity and what is required to attain the status upgrade.

- (2) *Supply of integration increases with internal and external integration capacity.*

If these assumptions are correct, the follow-up question is how the gap can be closed. How does internal and external integration capacity increase up to the point where supply meets demand?

4.1 *Domestic Obstacles to Integration Capacity*

Let us assume that a nonmember's integration capacity reflects its domestic constellation of preferences, its internal (institutionally mediated) power structure, and its capabilities. Obstacles to increasing integration capacity and further integration can then be identified at the level of veto players (combining adverse preferences and a strong position in the power structure) and structural capabilities of the nonmember.

Veto points are defined as institutional or factual power positions that allow actors occupying these positions to block a decision (Tsebelis 2002). They only become relevant for enlargement, however, if such actors actually care about and oppose enlargement or the policies that are required for an increase of integration capacity. Whereas the number of veto points increases the likelihood that actors block the process in general, more precise predictions depend on information about their preferences. I therefore use the term "veto players" exclusively to denote actors that occupy a veto position *and* hold preferences that are incompatible with closing the capacity gap.

Veto points can be identified at the level of the political system, the government, and of interest groups and public opinion. For instance, the decentralized political system of Bosnia-Herzegovina creates multiple veto points that have blocked the progress of this country towards enlargement. In the Western Balkans, limited statehood has been identified as an obstacle to integration (Börzel 2011; Elbasani 2013). Heterogeneous governing coalitions with parties that oppose EU conditions have produced significant domestic political costs and slowed down the enlargement process in many cases (Schimmelfennig et al. 2006). Societal veto players have not played a major role in the 2004 and 2007 enlargements (Schimmelfennig and Sedelmeier 2005) but affected, for instance, the EFTA enlargement round in the early 1990s. Examples are the opposition of the fishing industry in Iceland and Norway to enlargement and negative public opinion in Norway and Switzerland. In the current nonmember states, the focus is on ethno-political groups and bureaucratic-economic networks of corruption that stand in the way of meeting EU conditions.

From a structural perspective, the ability of nonmember countries to develop integration capacity depends on their economic and governance capabilities.³ Nonmembers may lack the material and immaterial resources to meet the EU's conditions for a status upgrade. Whereas weak capabilities and numerous veto points often go together, they can also affect external integration capacity independently of each other. Whereas many CEECs combined weak capacity with the absence of veto players in the 1990s, the countries of the European Economic Area and Switzerland combined high capacity with strong domestic opposition to membership.

- (3) *External integration capacity decreases as the capabilities of nonmember countries decrease and veto players increase.*

To be sure, external integration capacity may vary for reasons unrelated to the EU. As an effect of globalization and modernization, nonmembers may become more democratic, increase their governance capacity, or become more interdependent with the EU. Or they may become the victims of economic crises, political coups d'état, or foreign aggression. Here we focus on EU agency, however, and on changes in integration capacity that are endogenous to the enlargement process.

4.2 *Modes of Integration*

The more progress towards enlargement is inhibited by veto players and weak capabilities in the nonmember countries, the more external integration capacity depends on the EU's capabilities, its negotiating strategy and instruments, and the transnational coalitions with nonmember countries it is able to establish. How these factors matter varies across modes of integration.

Previous research on the Europeanization of nonmember countries, EU democracy promotion, and diffusion distinguishes modes of integration along several dimensions (e.g. Schimmelfennig and Sedelmeier 2005; Börzel and Risse 2012; Schimmelfennig 2012; Sedelmeier 2011). First, following the different logics of action underlying rationalist and constructivist theories, we can distinguish *incentive-based* and *persuasion-based* modes. Whereas incentive-based modes of integration are based on the logic of consequences and seek to manipulate the cost and benefits associated with alternative options of behavior of the target actors, persuasion-based modes work through changing the target's ideas and preferences. They assume the logic of appropriateness or argumentation. Second, modes can be *direct* or *indirect* depending on whether or not the EU takes a proactive stance and seeks to intentionally promote its model and policies. Third, the EU can either use the *intergovernmental* or the *transnational* channel, i.e. the EU either influences other governments that then adapt to EU goals and policies or it influences societal actors such as firms, parties, or civil society actors that then put pressure on or seek to persuade their governments.

3 I use the term "capabilities" to distinguish this factor more clearly from the external integration "capacity" it is supposed to explain. EU and non-member capabilities shape external integration capacity. Note, however, that both terms are used interchangeably in most of the literature.

Short of physical coercion, which is beyond the EU's panoply of integration modes, *conditionality* is the typical direct, incentive-based, and intergovernmental mode. Conditionality is based on setting conditions to be fulfilled by third countries in order to receive rewards (such as financial aid or new agreements) – or to avoid sanctions. In addition, the EU provides states with additional resources to help them meet these conditions (*capacity-building*). Finally, the EU does not only target governments directly: it also provides attractive incentives for citizens and business actors, which are then expected to put pressure on their governments to meet EU conditions.

Socialization is the typical persuasion-based strategy and it may operate at the intergovernmental and transnational level as well. It comprises all EU efforts to disseminate its policies by persuading outside actors of the ideas and norms behind them. Rather than manipulating the cost-benefit calculations of external actors, the EU teaches them the principles and rules of European governance. External actors adopt and comply with EU rules if they are convinced of their legitimacy and appropriateness and if they accept the authority of the EU.

The EU, however, also affects third countries indirectly. *Externalization* is incentive-based. The EU's sheer presence as a market and a regional system of governance produces (sometimes unintended or unanticipated) externalities. External actors adopt and follow EU rules because ignoring or violating them would generate net costs. Firms interested in participating in the EU market must follow the EU's rules. Countries whose economies are strongly interconnected with the EU make their internal rules compatible with those of the EU. In addition, countries may draw lessons from the EU to solve their own policy problems even if they are not under competitive pressure from the EU. In persuasion-based *imitation*, the EU serves as a role model that other countries emulate. Nonmember actors imitate the EU because they recognize EU rules and policies as legitimate.

4.3 Factors of External Integration Capacity

In this section, I present the main factors that are likely to determine whether the capacity gap is narrowed and enlargement becomes possible. Generally, these factors are relevant for all major integration modes, even though the causal mechanism may work differently.

Capabilities. First, closing the capacity gap is facilitated if the EU can compensate weak nonmember capabilities. To some extent, financial aid, administrative expertise, and other forms of capacity-building can make up for structural deficits of nonmember countries. Second, the EU may be able to “buy off” resistance by veto players or persuade them to change their preferences. Third, strong economic, financial, and policy-making capabilities also increase the attractiveness of the EU and of accession to the EU in both incentives-based and persuasion-based modes of integration. An EU in financial crisis, economic recession, and policy-making paralysis is hardly able to convince nonmember countries to meet costly or inconvenient conditions imposed on them (Mattli 1999), to make credible commitments to third coun-

tries, and to serve as an accepted authority or role model for nonmembers. Finally, the capabilities of the EU need to be compared with the capabilities of other external actors. For the EU to have an impact on nonmembers' integration capacity, it must be more attractive (both in terms of material incentives and legitimacy) than alternative gravitational centers in international relations to sway public opinion and veto players. The current struggle for Ukraine between the EU and Russia is a case in point.

Transnational coalitions. Closing the capacity gap is further facilitated if the EU is able to build coalitions with a variety of domestic public and private actors in nonmember countries. On the one hand, the EU may differentially empower such coalitions to overcome domestic veto points by offering incentives for collaboration and providing them with financial and organizational resources. On the other hand, such coalitions help the EU to increase local knowledge, identify adequate developmental goals for nonmember countries, and design effective ways to achieve them (Jacoby 2008, Bruszt and McDermott 2012; Bruszt and Langbein, forthcoming). In this way, transnational coalitions improve the EU's incentives and capacity-building measures; they increase the pool of beneficiaries from rule alignment (Bruszt and Langbein, forthcoming); and they have the potential to strengthen and uphold the legitimacy of the EU and its policies during the enlargement process. Again, the EU's transnational coalitions need to be more powerful or effective than the coalitions formed around competing external actors.

Negotiation design. Finally, external integration capacity depends on the design and strategy of negotiations between the EU and the nonmember countries. An effective design and strategy can improve the incentives and capacities to meet EU conditions. For instance, intermediate benefits such as interim agreements on trade or visa facilitation regimes strengthen the readiness of nonmember states to comply with EU conditions when accession is still in the distant future. On the other hand, analyses have suggested that the strategy of breaking the enlargement process into smaller conditional steps and making progress in negotiations dependent on compliance with the most difficult and contested issues first is one way to strengthen the EU's negotiating position and apply stronger conditionality throughout the process (Dimitrova and Steunenbergh 2007; see also Müftüler-Baç and Kibris 2011).

- (4) *External integration capacity increases with the capabilities of the EU; the ability of the EU to build transnational coalitions; and the effectiveness of negotiation design.*

4.4 *Factors of Internal Integration Capacity*

Internal integration capacity – the preparedness of the EU to enlarge – is another condition of supply. First, it also depends on veto players. Most fundamentally, enlargement is subject to intergovernmental decision-making: each member state government is a veto point. Enlargement thus requires convergent or compatible enlargement preferences to produce agreement. Furthermore, it is likely that member state governments change during the course of long-term enlargement negotiations. With every change of government, there is a chance that a pro-enlargement government is replaced with a more skeptical

one. Because intergovernmental consensus is required at several points in the enlargement process, enlargement effectively requires broad political consensus among the main parties of the member states. Finally, public opinion has gained in importance for enlargement as a result of the general politicization of European integration (Hooghe and Marks 2008). Where Euro-skeptic parties are strong and enlargement decisions can be put to a referendum, the public can therefore be considered to create a “constraining dissensus” and constitute an additional veto point.

In addition, the EU’s readiness to commit itself to enlargement depends on institutional reforms that prepare the EU for the admission of new member states and ensure the policy-making and financial stability of an enlarged union. Reforms that compensate for the increased heterogeneity and transaction costs of an enlarged membership and ensure continued decision-making and implementation effectiveness reduce potential concerns and dissensus among the old member states.

(5) *Internal integration capacity increases as veto players decrease and institutional reforms ensure policy-making effectiveness and financial stability.*

5. Dynamic Analysis

The previous section has focused on the effects of internal and external integration capacity on enlargement. In addition, MAXCAP is interested in two dynamic perspectives. First, we examine the enlargement trajectory of individual countries over time from non-association to – at least potentially – full membership. Second, we study the sequence of enlargement rounds. The questions we ask for the dynamic analysis are, first, how the effects of internal and external integration capacity vary across the stages of the enlargement process and, second, how the outcomes of one enlargement decision or round affect the subsequent ones via changes in integration capacity. The section again formulates a number of initial hypotheses to guide the synthesis.

5.1 *Stages of Horizontal Integration*

Static analysis examines how external and internal integration capacity affects enlargement outcomes at any stage of the enlargement or horizontal integration process (see Figure 2). Generally, we assume that the factors of external and internal integration capacity apply to all stages of the enlargement process from association to full membership. They vary, however, in absolute and relative relevance.

First, capacity requirements become more demanding as the nonmember state advances on the status ladder. Obviously, the levels of democracy, economic and bureaucratic performance, and *acquis* align-

ment that the EU demands are higher for candidate countries than for potential candidates and higher for member states than for candidate countries. In addition, nonmember countries need higher economic, financial, and administrative capacity to fulfill the conditions of membership than to fulfill the conditions of association. Likewise, the EU needs higher capacity to attract countries, and assist them on their way, towards full membership than towards association. Whereas membership constitutes a higher incentive than association, it needs to be associated with higher credibility to motivate candidate countries to comply with the stricter and more costly accession conditions. Membership is also likely to produce higher externalities for the old member states than association (such as increased migration and competition) due to the full integration of new members with the internal market. Because the costs and commitments of both the EU and the nonmember countries increase at later stages in the enlargement process, veto points are also more likely to be activated. This is especially true of public support: membership is a more salient issue than association. Moreover, whereas association does not normally require the EU to engage in internal institutional reform for association, such reforms are an important part of preparations for the admission of new member states.

Finally, the factors of internal integration capacity become relatively more relevant at later stages in the enlargement process. During the initial stages of the enlargement process, the factors of external governance capacity are the most important components of integration capacity. What matters most, are the economic, financial, and administrative capabilities of the nonmember state and the EU, the EU's external integration modes, and the veto players in the nonmember countries. Because progress regarding democracy is an important condition for association and the transition to candidate status, political veto points at the political system and government level are crucial. By contrast, internal integration capacity does not come into play because association is not a salient political issue, does not require institutional reforms, and does not involve strong commitments and costs on the part of the EU and its member states. Once, however, the decision to start accession negotiations is on the agenda, and even more so when accession negotiations progress, internal integration capacity gains in importance. In sum, the dynamic analysis can start from the following conjectures:

- (6) *Requirements for integration capacity increase with status.*
- (7) *The relative relevance of internal integration capacity (as compared to external integration capacity) increases as the enlargement process progresses.*

5.2 *Feedback Effects of Enlargement*

The relationship between internal and external integration capacity, on the one hand, and enlargement, on the other, is recursive. Not only does integration capacity have an effect on enlargement but each step of horizontal integration and its outcomes feed back into integration capacity. For one, enlargement may directly affect the attributes of integration capacity, e.g. by weakening implementation capacity or by increasing public support for enlargement in the EU. In addition, it may modify the factors that impact

on the horizontal integration of other nonmember states and subsequent enlargement decisions – either making it comparatively more difficult or easier for the EU to expand its membership and associations further.

Feedback effects can be positive or negative and may affect all factors referred to in the static analysis. Status upgrades usually produce a positive feedback on interdependence. Stronger institutional relations between the EU and a nonmember state are likely to intensify economic, political and other connections among them and to increase demand for upgrading relations further. In addition, interdependence may spill over to the neighbors and economic partners of the nonmember state. This is especially true when new members accede to and new countries come to border on the EU. For instance, the European Neighborhood Policy was in large part a response to the increased interdependence resulting from the 2004 enlargement, which expanded the EU's border to the east and the south (Lavenex 2004).

(8) *Enlargement increases interdependence between the EU and nonmember countries and thus demand for further enlargement.*

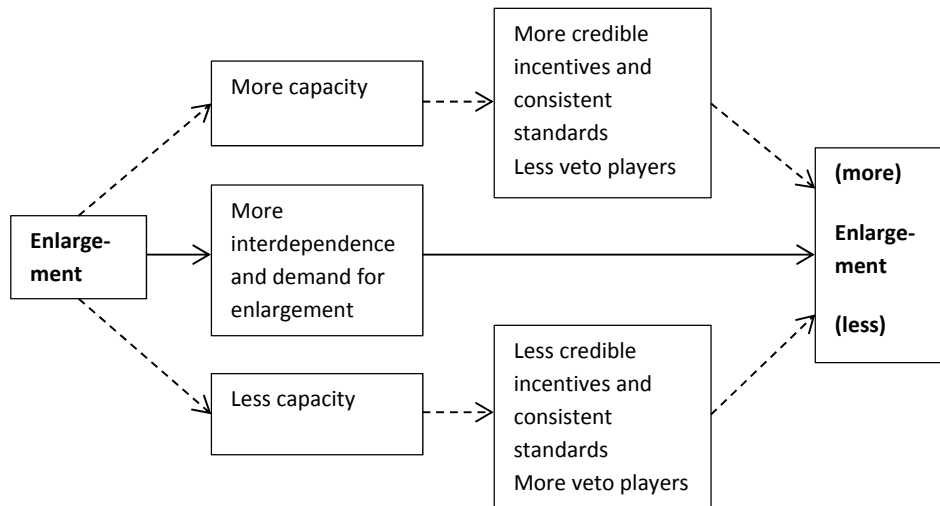
This hypothesis can be considered to capture the basic logic of enlargement responsible for the massive expansion of the EU from the original EC-6 to currently 28 member states and for the development of an increasingly diversified array of association. It is in line with Ernst Haas' concept of "geographical spillover" (Haas 1968: 313-315).

Other feedback effects are likely to be more conditional (see Figure 3). Enlargement outcomes that strengthen or at least do not weaken the economic, financial, administrative, and policy-making capacity of the EU and the nonmember or new member state increase the attractiveness of integration for other nonmembers and the readiness of the EU to engage in further enlargement. The same applies if democratic, economic, and regulatory reforms in nonmember or new member states prove sustainable (Levitz and Pop-Eleches 2010; Sedelmeier 2008, 2009, 2012; Toshkov 2012) and if enlargement does not undermine institutional reform in the EU. Such positive outcomes build consensus on enlargement and remove or weaken potential veto points both in the EU and in the nonmember countries. Conversely, democratic backsliding (Sedelmeier 2014) and compliance problems in new members (Falkner and Treib 2008; Spendzharova and Vachudova 2012) increase opposition to further enlargement.

The credibility of conditionality and the legitimacy of EU authority are strengthened if the EU upgrades the status of a nonmember state (only) after the nonmember state has met the conditions and if the improvements in capacity prove durable. In incentives-based modes of integration, such consistent behavior on the part of the EU and the nonmember state demonstrates to other nonmember states that (often difficult and costly) compliance with EU conditions pays off and that the benefits coming with status upgrades cannot be had without meeting the conditions. It also strengthens the belief in the EU that conditionality works and sets a precedent for future negotiations on horizontal integration. As a result, enlargement is likely to move faster and further in the future. Similar effects are to be expected in persuasion-based modes of integration. Treating candidates according to the same normative standards, using

arguments consistently, and avoiding double standards increase the nonmembers' belief in the legitimacy of the enlargement process.

Figure 3: *Feedback effects of enlargement*



Conversely, enlargement may weaken the economies of the EU and its partners, impose a financial burden on them, and overstrain their administrations. It may increase conflict in the EU and in nonmember countries, throw a wrench in the works of the policy-making apparatus, slowing down decision-making and worsening compliance, stall desired and required institutional reform (deepening) of the EU and increase the differentiation of EU law. Such outcomes weaken public support for enlargement, increase conflict among the member states, and create new or strengthen existing veto points on the way to future enlargement.

Moreover, a weakening in internal integration capacity translates into a weakening in external integration capacity. The EU becomes less attractive for nonmembers. Less public support, more veto points, and more conflict on enlargement within the EU is likely to produce weaker and less credible incentives for nonmember countries to meet EU conditions and strengthen their capacity.

- (9) *Enlargement creates positive feedback effects if*
- a. *nonmember or new member state capacity proves durable; and*
 - b. *EU capacity is strengthened (or at least not undermined).*

In sum, enlargement usually produces more interdependence and thus demand for more enlargement on the part of the EU, the upgraded nonmember state, and other nonmember countries. Whereas, however, positive feedback effects produce more enlargement compared to what would have been expected on the basis of initial capacity and interdependence alone, negative feedback effects underproduce enlargement compared to what would have been possible based on capacity and interdependence.

Quite obviously, the policy debate on integration capacity in the mid-1990s has been a case in point of negative feedback effects. It has been triggered by doubts about the long-term effectiveness of conditionality and the integration capacity of new (Bulgaria and Romania, in particular) and potential future member states (above all Turkey). Concerns about negative effects on the Union's financial and policy-making capacity have further fueled the debate. Moreover, the politicization of enlargement (a combination of increased public salience, waning public support, and Euro-skeptic mobilization through referenda) appeared to indicate the rise of new veto points in the member states.

This is not to say that – depending on the outcome of a given enlargement round – enlargement is bound to end up in either exponential progress or inevitable standstill. First, enlargement outcomes are normally not unambiguously negative or positive. They may, for instance, strengthen the capabilities and capacities of some actors while negatively affecting those of others; or they may strengthen some types of capacities while weakening others. In addition, benefits and costs are usually unevenly distributed across actors.

Second, there are mechanisms of self-correction. Positive feedback may produce overconfidence in the EU's integration capacity that will run into problems if the EU has to deal with less willing and able nonmembers in the next enlargement round. Negative feedback may lead to a gap between objective and subjective demand for membership, i.e. situation in which the EU ignores interdependence with its neighbors at its own peril or fails to respond adequately to the potential benefits of deepening relations with nonmember countries. In addition, negative feedback could have the effect of inducing the EU to strengthen its external integration capacity, e.g. by committing more resources to preparing candidates for accession or improve the monitoring of *acquis* alignment.

Third, enlargement has always been strongly affected by exogenous developments. Political change in neighboring countries such as the downfall of autocratic regimes in Southern and Eastern Europe has increased their external integration capacity dramatically. Instances of deepening unrelated to enlargement such as the internal market program lead nonmember states to reassess their interdependence with the EU and seek membership as in the case of the EFTA countries at the beginning of the 1990s. On the other hand, the politicization of European integration or the financial crisis have not originated from enlargement but may have had a dampening effect on horizontal integration.

6. Conclusion

This paper has presented a framework of analysis aimed at encouraging and facilitating the synthesis of MAXCAP research. It has proposed a conceptualization of “integration capacity”, the core concept and variable of MAXCAP, and it has suggested simple static and dynamic models and a series of conjectures as a starting point for analysis. Whereas the individual work packages analyze the causes and effects of individual dimensions of integration capacity – such as the effects of enlargement on the political and

economic development of nonmember and new member states, decision-making and compliance in the EU, or public perceptions and support, or the effects of integration modes and the design of negotiations on enlargement – the framework for analysis suggests ways in which these dimensions interact and influence each other in specific enlargement decisions and over time.

The framework for analysis should be regarded as a first move in a dialogue with the individual work packages. In the course of their research, the work packages will elaborate the attributes and indicators of integration capacity, provide descriptive evidence, and probe into causes and effects. These results will inform the further elaboration of the framework for analysis and the synthesis of empirical findings, theoretical conclusions, and policy implications and recommendations towards the end of the project.

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“Maximizing the integration capacity of the European Union: Lessons of and prospects for enlargement and beyond”

The ‘big bang enlargement’ of the European Union (EU) has nurtured vivid debates among both academics and practitioners about the consequences of ‘an ever larger Union’ for the EU’s integration capacity. The research project MAXCAP will start with a critical analysis of the effects of the 2004-2007 enlargement on stability, democracy and prosperity of candidate countries, on the one hand, and the EU’s institutions, on the other. We will then investigate how the EU can maximize its integration capacity for current and future enlargements. Featuring a nine-partner consortium of academic, policy, dissemination and management excellence, MAXCAP will create new and strengthen existing links within and between the academic and the policy world on matters relating to the current and future enlargement of the EU.