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THE POLITICAL ECONOMY OF THE ACCESSION TO THE EUROPEAN UNION; THE CASE OF POLAND.

Question to be researched

The main aim of the thesis is to show how the process of accession influences state-society-market relations, i.e. political, social and economic dynamics in one of the prospective members of the European Union. Consequently, the principal question is: To what extent has Poland 'lost' control of the economic and political activity within its territorial boundaries as a result of the process of accession to the European Union? What has been Europeanised and to what extent?¹

Historical/Economic/Political relevance

This research is to contribute to the wider debate of the impact of the accession process on Central and East European applicant countries, in particular Poland. The issue of the Eastern enlargement of the European Union has been on the agenda for over a decade. However, only recently has the process gained momentum. The Commission confirmed that it had "set out a roadmap for concluding negotiations by the end of 2002."² Moreover, the Treaty of Nice agreed in December 2000 stipulates institutional reforms necessary for accommodating new members. Recent events and new circumstances necessitate addressing 'accession issues' both empirically and theoretically. The process of accession is complex and multifaceted. Although its importance is indisputable not much attention has been paid to certain aspects of the process. Thus, this research will compensate for this neglect. The empirical study will consist in analysing some policy areas, for example; free movement of capital and agriculture and it will attempt to assess the extent to which the control of economic and political activity is still within the state. Although all-encompassing EU policy prescriptions leave little room for Polish policy-makers to manoeuvre, policy-makers still attempt to 'have a say.' This is particularly evident in strategic sectors.

Historical/Policy significance of the research

The first implication is about the European/external pressures exerted in countries that are not member states yet. The EU can effectively govern beyond its territory as the *sine qua non* for accession is the compliance of prospective entrants with the rules, norms and policies of the EU. The EU accession conditionality encompasses economic, political and *acquis* criteria.³ Consequently, Europeanization is taking place, which entails the adjustment of national institutions, laws, policies and actors to the Brussels arena. The accession conditionality affects policy options and outcomes across a range of areas in applicant countries. The extension of EU-governance is obvious. Moreover, there are also informal pressures, both economic and political, being exerted by different actors from the EU and member states.

¹ The first question is asked in an IPE manner, the second in a 'Europeanization literature' manner. More on theories further on.

² Speech of the President of the European Commission -Romano Prodi -in the European Parliament, Brussels, 8 November 2000

³The Copenhagen European Council laid down criteria for membership in June 1993. 1. Political criteria (stability of institutions guaranteeing democracy, the rule of law, human rights and respect and protection of minorities; 2. Economic criteria (the existence of a functioning market economy and the capacity to cope with competitive pressures and market forces within the Union); 3. 'Acquis' criteria (adoption of the entire body of the EU legislation known as *acquis communautaire* - over 80,000 pages of legal text)

Consequently, the international/domestic dichotomy and (the blurring of the boundaries between national and international) should be addressed. Membership of regional economic groupings, and the processes of globalisation has effectively joined national societies and economies together to the extent that no national policy can be purely domestic any more.⁴ However, we still talk about domestic politics, economics. States tend to place domestic priorities above European/international ones, to protect themselves and to limit the costs. Consequently, the research will address the issue of Polish efforts to be in a position to influence regimes governing aspects of the European political economy, to get some leverage, although it understands that the whole process of accession is an asymmetrical game with the hegemonic EU⁵. The relations can be described as policy-maker/ policy taker pattern.

The second implication is about political decisions and interests, how they influence the location of economic activities and the distribution of costs and benefits of these activities. Thus, it is about the interactions between politics and economics and the consequences for the distribution of wealth and power among societies. The EU has an opportunity to shape the rules that define the development of new market economies. The question to be posed is how the EU has affected “the institutional underpinnings of government policy and social organization that are fundamental to the operation of economics.”⁶

Theoretical relevance

The theoretical aim of this research is to investigate whether existing theories are relevant to the study of EU enlargement to the East. While much has been written about European integration, most of the scholarly work is concerned with the developments at the European level and domestic level in member states but they do not address the issue of enlargement sufficiently. In fact, there is no “enlargement theory” (Ulrich Sedelmeier, 2001). The subject has been so far neglected in theoretical studies of the EU (Schimmelfenning 2000, Wallace forthcoming). There are no sufficiently detailed models of the national public policy and policy-making that are actually emerging in CEE to say how much convergence is taking place (Grabbe, 1999). As there is no single paradigm that could provide a reasonable analysis of interrelations between political, economic and social events the analytical framework will be theoretically eclectic. Keohane and Hoffmann argue that the eclectic approach is the most reliable because all the theories have something to contribute to owing to the fact that they explain different set of variables.⁷

I would claim that theories of Europeanization and political economy can help analyse the complex reality of accession process. While the literature on Europeanization addresses the issue of EU political pressures on domestic policy-making, an IPE approach takes into account state-society-market relations. C.M. Radaelli (2000) claims that the post-ontological focus of Europeanization brings us to questions, such as the role of domestic institutions in the process of adaptation to Europe. The final results in terms of ‘strengthening’ or ‘hollowing out’ of the state are always conditional, for example, it depends on the configuration and response of domestic institutions. Tanja A. Börzel & Thomas Risse (2000) claim that the lower the compatibility between European and domestic processes, policies, and institutions, the higher the adaptational pressure. The external dimension of EU-governance should not be ignored. By framing its relations with outsiders in terms of the perspective of membership, by establishing structures and stepping stones towards accession, the EU can more effectively govern beyond its territory (Lykke & Murphy, 2001). However, there are two drawbacks of Europeanization approaches. First, the conceptual research on the impact of Europeanization on domestic change has hardly been applied to applicant countries (exceptions; Grabbe, 2000, Goetz

⁴ R. Tooze, “International Political Economy in an Age of Globalization,” J.Baylis and S.Smith (eds.) *The Globalization of World Politics*. Oxford University Press

⁵ Checkel (2000) uses the term ‘hegemonic actor’ to describe the role of the EU in the process.

⁶ Crouch and Streck_(1997) *Political economy of Modern Capitalism; Mapping Convergence and Diversity*. London: Sage

⁷ Keohane, R and S. Hoffmann (1991) *The New European Community*, pp.57

2000). Second, the research seeks to address mainly political issues and political systems being penetrated by European policies, but neglecting economic dimension. Thus, an application of a theory of political economy can be of use. Gilpin (1987) claims that a theory of political economy will require a general comprehension ...of the ways in which social, economic, and political aspect of society interact. Thus, the term "political economy" is used to indicate a set of questions to be examined by means of an eclectic mixture of analytic methodology and theoretical perspectives. Strange (1994) claims that the fundamental question of IPE is how power has been used to shape the political economy and the way in which it distributes costs and benefits, risks and opportunities to social groups, enterprises and organization within the system: *who-gets-what?*

Proposed alternative theoretical solutions

The extent to which Poland (Polish policy-makers) has lost control of the economic and political activity depends on the formal EU accession conditionality, informal European pressures and, last but not least, "*state's idiosyncrasy*."⁸ The last element is important when we talk about Europeanization of strategic sectors. The more 'Polish' a sector is the more resistance to Europeanization.⁹

Theoretical significance of the research

The application of elements of Europeanization approach, in particular, Radealli's emphasis on the importance of the response of domestic institutions in the process of adaptation to Europe and IPE emphasis on interrelations between economics and politics offers better understanding of the impact of the complex process of accession on Central European countries.

Methodology; research designs

Case of Poland
Study across different sectors

Data and data sources

In order to conduct this research some general lines of research methods should be envisaged. The use of multiple methods should help overcome the main obstacles to knowledge. Interviewing and library research are among the most useful methods. Interviews are crucial for revealing inside views of the process, personal experiences, opinions and attitudes. Policy-makers, negotiators and interpreters may give verbal and visual accounts of the accession process. Official documents will be analysed; Commission reports on progress towards accession, other EU documents and reports such as negotiation positions. Moreover, the National Plan for the Adoption of the Acquis, documents and reports produced by governmental departments are important. The content analysis is reliable as it enables systematic comparisons of verbal and visual accounts. Moreover, literature on Western and Central European politics, economics will be used.

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⁸ Here, I mean state-society-market relations: complexions of government in Poland, the role of domestic institutions, domestic pressures and interests and the nature of the economy.

⁹ Here, the concept of an '*accession dilemma*' will be discussed. On the one hand, membership should be achieved at the earliest possible date but different domestic pressures (stemming from state-society-market relations) make early entry difficult.

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