

Book Reviews

Karen Henderson (ed.), *The Area of Freedom, Security and Justice in the Enlarged Europe*. London: Palgrave Macmillan, 2005, xix + 174pp., 45 GBP, ISBN 140393522X (hardcover).

In May 2004 the European Union underwent the most ambitious and complex enlargement in its fifty-year history. At the same time, and partly in response to the challenges posed by the inclusion of ten new members, the creation of an Area of Freedom, Security and Justice (AFSJ) developed into one of the most important EU policy objectives. This edited volume, the latest addition to the Palgrave series "One Europe or Several", offers a sweeping insight into the numerous challenges faced by the EU in pursuing these two often competing goals. Drawing on the contribution of internationally recognised scholars on enlargement and leading specialists in area of justice and home affairs (JHA), this book examines how the eastward enlargement and the length and location of the new border have presented the EU with extra challenges in the field of internal security, and how the rapid expansion of EU competence in the area of JHA in the late 1990s has affected the preparations for accession of the countries of Central and Eastern Europe (CEE).

The book is broadly divided into two parts. The first examines the numerous problems faced by the new member states in adapting to

one of the most complex, fast growing and politically sensitive chapters of the whole body of the *acquis*, renewed for its obscurity and lack of transparency. In the opening chapter, Karen Henderson assesses how the preparation for membership shaped domestic policy priorities in the countries of CEE and the difficulties these encountered in adapting to the fast changing EU security agenda. Miroslav Nozina looks at the changing character of organised crime in post communist societies and the role played by the EU in stimulating the reforms of obsolete legal and judicial systems to meet membership requirements. Ivona Piorko and Monika Sie Dhian Ho assess the costs and benefits of membership to the AFSJ. Focusing on the case of Poland, the authors argue that if on the one hand the extensive membership requirements offered the country the opportunity for enhancing its own internal security by promoting much needed legal, administrative and judicial reforms, on the other, compliance with EU norms has involved huge financial, socioeconomic, and political costs. Weighing the costs and benefits of membership to AFSJ, the authors highlight the dilemma faced by aspiring members of accepting short-term financial and political challenges in return of a long term prospect of enhanced internal security and freedom of movement across EU internal borders.

Finally, Alexander Duleba examines the impact of implementing the Schengen visa

policy on bilateral relations. Focusing on the case of the Slovak-Ukrainian border and using new statistical data on cross border movement of goods and people, he demonstrates how the introduction of visa regimes has affected significantly cross-border movement and disrupted bilateral relations. However, it has failed to relieve the pressure of illegal migrants, thus proving unfounded the widespread assumption that rigid borders and tough visa regime are effective mechanisms to reduce migratory pressures on the eastern border.

The second part of the book is devoted to the more recent developments in the AFSJ. Sandra Lavenex examines how and why the shift of the EU external border eastward has coincided with the progressive externalisation of JHA policies towards its immediate neighbourhood and the problem the EU faces in exporting its security agenda and standards towards countries where it lacks the leverage of membership. In a provocative chapter Jorg Monar critically questions whether the modifications in the legal and institutional arrangements introduced by the Constitutional Treaty, from the abolition of the pillar system to the incorporation of the Charter of Fundamental Rights, succeed in establishing a coherent framework for developing the AFSJ in the enlarged Union. Finally Vladimir Bilcik analyses the contribution made by the new member states to the discussions on JHA issues within the context of the Convention on the Future of Europe and their

future contribution to the development of the AFSJ. A conclusive chapter by Heather Grabbe draws on the many dilemmas rose by the book together and assesses the future of the AFSJ against the background of the more recent developments, such as the changing nature of borders and security threats and the 2001 terrorist attacks.

No doubt this book successfully fulfils its dual intention of presenting the numerous problems encountered by new members in preparing for membership in the AFSJ as well as those faced by the EU in his attempt of combining a “big bang” enlargement with the ambitious objective of delivering security and freedom of movements to its citizens. Its greatest lies in the high quality of the contributions which when studied together successfully portray the key challenges faced by the countries of CEE and the growing tension between EU internal and external security policies. The only weakness of this otherwise comprehensive volume lays in the selection of the case studies. Particularly in the initial chapters, those primarily concerned with the experience of the new members, there is an overwhelming focus on the four Visegrad countries (Slovakia, Czech Republic, Hungary and Poland). This is not surprising given the area of expertise of some of the contributors. Yet it is regrettable that the experiences of less studied countries, such as the Baltic States and Slovenia, as well as Romania and Bulgaria, have not

found a greater space in this rich contribution.

Nonetheless, its focus on the experience of the countries of CEE rather than on the priorities of EU15 member states, makes this edited collection a welcome contribution to the understanding of this politically sensitive yet under-research policy field. This book also successfully sets the scene for debating in greater details how and to what extent the priorities and experiences of the new members will impact in the years ahead on the development of the AFSJ in the even more enlarged Union. It will interest scholars and students of European integration especially those interested in EU enlargement, EU external relations and JHA issues. In particular, by addressing the question of when and how the EU promoted structural changes in the new member states, some chapters may also provide noteworthy empirical evidence for scholars and students of Europeanisation.

Lara Scarpitta
The University of Birmingham

David L. Phillips, *Unsilencing the Past. Track Two Diplomacy and Turkish Armenian Reconciliation*. New York, Oxford: Berghahn Books, 2005. 160pp., 39.95 USD, ISBN 1-84545-007-8 (hardcover). With a preface by Elie Wiesel.

The ways in which a prolonged conflict between two countries which appears almost impossible to stop can be progressively left behind

are not easy. Negotiations to bring representatives of the two parties to the same table can be long and time consuming. There are ups and downs, hopeless moments, and other conflicts which require attention. In some respects, all the reconciliation efforts in conflicts having roots in contradictory histories can offer similar lessons. The difference consists in the specifically historical contexts, the geo-political framework, and, no less important, the personalities of the main actors.

In *Unsilencing the Past. Track Two Diplomacy and Turkish Armenian Reconciliation*, David L. Phillips presents a detailed account of his personal experience in managing the delicate issue of managing a dialogue between Turkey and Armenia. The author, who directed the Track Two Program on Turkey and Caucasus and chaired the Turkish-Armenian Reconciliation Commission, is currently a senior fellow and Deputy Director of the Center for Preventive Action at the Council of Foreign Relations.

Phillips explains his intentions from the start. "Rather than writing an academic treatise," he writes, "I have tried to humanize the work of Turks and Armenians by recounting their struggle to confront a tormented past and explore future cooperation" (1). He presents Track Two Diplomacy as:

"an unofficial exercise in problem solving. It engages private citizens in exploring the conditions that give rise to conflict and developing joint

strategies for addressing shared problems. The goal is to foster collaboration so that conflict comes to be seen as a shared problem requiring the cooperation of both sides. Through the virtue of Track Two lies in its independence from official positions, Track Two can enhance diplomacy when developed in close coordination with diplomatic efforts” (2).

The term was first used by the former State Department official Joseph Montville to describe an activity designed “to assist official leaders by compensating for the constraints imposed on them by the psychologically understandable need for leaders to be, or at least be seen to be strong, wary and indomitable in the face of the enemy”. The Track Two program for Turkey and the Caucasus was initiated during the Clinton administration and formally established in 2001. It lasted until 2004. The centerpiece of the program was the Turkish-Armenian Reconciliation Commission (TARC), with its own website (www.tarc.info), and a membership of preeminent Turks and Armenians, among them former officials and civil society leaders. Owing to its involvement in the Nagorno-Karabach conflict, Azerbaijan also joined the discussions on occasion.

In a relatively short period of time, despite some difficult moments, the Commission succeeded in opening many doors after almost 100 years of tension,

bloody incidents, displacements, and frozen diplomatic conflicts. At the center of the dispute is the different interpretation, “the huge gap” (1), of events taking place during the last years of the Ottoman Empire. Armenia asked the Republic of Turkey to acknowledge its responsibility in “the genocide” of some 1.5 million Armenians. Turkey refused to do so, and instead views the deaths as the result of a civil war. That different evaluation of an episode from the common history of the two peoples poisoned relations between Turkey and Armenia. The effect was corrosive and explosive; during the 1970s and 1980s, the Armenian Liberation Army (ASALA) carried out several deadly attacks against Turkish diplomats and governmental officials.

With such a background, to initiate a dialogue was difficult, and regional and global geo-political evolutions influenced the different stages of the dialogue. While Phillips did not go into detail regarding this aspect of his subject, it is worth mentioning some of them. The Cold War was over, and the two countries were looking for broader political alliances and recognition. The EU accession process, which with difficulty accepted Turkey as a European country, demanded Ankara establish good relations with its neighbors, but while Turkey recognized Armenia after the collapse of USSR, the two countries never established diplomatic ties. The rise of concerns on the part of the international community regarding

the explosive situation from Nagorno-Karabach also influenced events in the region. Also important was a mobile working Armenian force—around 40,000 people—which worked in Turkey and sent money to their families in Armenia. Their economic fate was very important in the discussions regarding the visa regulations between the two countries. (p.86)

TARC gathered together high-profile civil society leaders, former diplomats, and academics. Phillips summarizes the main aspects of the Track Two process (16-17) as seeking to influence policy through close coordination with officials; involving a broad cross-section of civil society in order to shape public opinion; adapting strategies when outside events affect the context of activities; fostering human relations between project participants; securing adequate project financing from a variety of sources; keeping a detailed record of activities. We would add to that a very detailed communication plan, which was not in this case, according to Phillips (55).

The formula offered by TARC created various opportunities to initiate new occasions for representatives of the two countries to meet. Folk performances, academic meetings, joint foundations, the Turkish-Armenian Business Development Council, the Turkish-Armenian Parliamentary Exchange, and a working group of mayors, which included representatives from Georgia and Azerbaijan, were examples of the initiatives which followed the

sometimes difficult and complicated discussions of the Commission. But the long-lived historical misunderstanding has now been more or less left behind. The process of identification is very sinuous, but once you accept the dialogue and find out what the topics of that dialogue are, many barriers can be overcome. You can manage the words, you have a common vocabulary, and you can get rid of the exclusively self-centered speech.

As Nobel Prize winner Elie Wiesel writes in his foreword,

"...if Jews and Germans can cooperate within the framework of humanizing History, others can too. It does not imply forgetting the past. That would be an act of betrayal. The past can not be erased for the sake of the future. Quite the contrary: it is because we remember the past that together we feel responsible for what tomorrow may bring to all our children (xiii)."

The premises of the Turkish-Armenian process of reconciliation are an example that need to be compared to other similar experiences from the post-Cold war world. Particularly in Central and Eastern Europe, the reservoir of experiences is quite impressive, taking into account the profound and conflicting memories, dating from the interwar period and more or less "frozen" during communist era. Romania and Hungary are an excellent example in this sense, the historical reconciliation of the last

years also due to policies similar to those of the Track Two Diplomacy.

This account is neither optimistic nor pessimistic. The logic of diplomacy operates with realities, with possibilities, and with results. One of the primary goals of the Phillips is to present the possibilities offered by dialogue and other tools which can be used to bring people together. It is like an episode of a movie with many episodes. Today, it is Armenia and Turkey. Yesterday, it was Ireland. Tomorrow, perhaps it will be Israelis and Palestinians who benefit from these techniques.

Ana Dinescu
University of Bucharest

Milada Anna Vachudova, *Europe Undivided. Democracy, Leverage and Integration after Communism*. Oxford: Oxford University press, 2005, xii + 314pp., 20GBP, ISBN 0-19-924119-8 (paperback).

There are few books on post-communist transition that have managed to capture the complexity of factors which shaped the political trajectory of the former communist countries of Central and Eastern Europe (CEE) during the 1990s. Vachudova's new book is a highly stimulating and important contribution in this respect. Through an in-depth comparison of the policy choices of six states since 1989 (Poland, Hungary, Czech Republic, Slovakia, Romania, and Bulgaria),

the author convincingly explains why we have witnessed a considerable variation in the quality of efforts made by these countries in dismantling the communist system and in embracing liberal democratic values, political pluralism, and market based economies.

Her analysis starts by challenging the often assumed homogeneity of post-communist countries. She argues that while they were all trapped for four decades in the communist straitjacket, these states "had not all come from the same place," and after 1989 "they were certainly not all headed in the same direction" (p. 2). Each of them experienced communism in a different way, from the least repressive system in Poland to outright dictatorship in Romania, so in 1989, when they all escaped "really existing socialism" to "Return to Europe," the path they followed was equally distinctive. In all these countries the first elections were free and each declared EU membership as the country's ultimate foreign policy objective, but the level of political competition at the moment of the regime change determined whether the ruling elites pushed towards liberal or illiberal policies by setting the stage for each country's initial political trajectory. Turning to the contentious question of the role played by international actors in shaping domestic policy choices of the countries of CEE, Vachudova claims that their role, albeit important, was in effect far more limited than often assumed. Focusing primarily on the EU, she demonstrates how in the initial five

years of the transition it had only a negligible impact on the course of political change in the countries of CEE. Only when the enormous benefits of membership and the high costs of exclusions emerged clearly was the EU able, through the process of accession and the mechanism of conditionality, to exert a direct influence on the policy choices of these countries.

The organisation of the book follows the structure of her argument. In the first two chapters Vachudova examines theoretically and empirically the degree of political competition at the moment of the regime change in 1989, the nature of the opposition during and immediately after the collapse of the communist regimes, and the initial degree of variation in the political trajectory of these countries. Her analysis concludes with two broad points: the quality of the political competition in 1989 was determined by the presence or absence of an opposition to communism strong enough to take power and of a reforming communist party that fostered internal debates during the communist years. Thus in the "liberal" states of Poland, Hungary and Czech Republic, the experience of active and organised opposition during communism "jump started the creation of a competitive political system" (p. 25) by setting the conditions for the development of sound democratic institutions and rapid economic reforms. By contrast, in Romania, Bulgaria, and Slovakia, which she defines as "illiberal," the weak opposition during communism enabled

unreconstructed communists and opportunists to exploit the lack of competition to control the information channels, win the first elections, and maintain their grip on power.

The following four chapters are devoted to the role played by the EU in shaping policy choices in the six case studies. To unpack the nature and scope of EU influence throughout the 1990s Vachudova introduces the concepts of "passive" and "active" leverage, defined as the traction the EU had on credible candidates by virtue of its existence on the one hand, and the deliberate policies of the EU towards candidate countries through the mechanism of conditionality on the other (p.63). Through a systematic analysis of the causal link between EU policies and the responses in liberal and illiberal states, Vachudova demonstrates that in the initial five years of the transition (1989-1994), EU passive leverage reinforced the reform strategies in liberal states while it failed to break corruption and rent-seeking behaviour in the illiberal ones. Only in a subsequent stage (1995 -2004), did "the active leverage" of the EU have a direct impact on the political environment of the countries of CEE. In illiberal states, EU active leverage changed the informational and institutional environment to the advantage of more liberal opposition forces that compelled governments to introduce sound economic and state reforms.

In the concluding chapter Vachudova locates her arguments within broader academic debates on the effect of EU active leverage on

the democratic and economic institutions of the countries of CEE and assesses how these states are likely to act once they become full members. The book concludes with one highly provoking claim: albeit not by design, enlargement has proven to be “the most powerful and successful tool of EU foreign policy” (p.258). If measured against this observation, the current attempt of the EU to export its policies and standards through the Wider Europe initiative might not be sufficiently strong enough in its incentives to promote reforms and spread prosperity and stability in the EU southern and eastern neighbours. The offer of “everything except institutions” might not turn out to be the “trump card” that the EU is looking for.

This book has all the credentials to remain a fine and provoking piece of research. Vachudova succeeds in questioning when and under what conditions powerful international institutions may influence the domestic policy choices of aspiring members, and her analytical models of EU “passive” and “active” leverage deserve to be studied closely. This volume makes a significant contribution to several fields of knowledge in comparative politics. Within the context of burgeoning literature on enlargement and Europeanization, this study raises a number of puzzling questions and creates the opportunity for a much-needed reconsideration of domestic factors in regime change and transition. Vachudova’s volume would be a worthy addition to the library of

many EU scholars, not just those interested in democratisation and transition in Eastern Europe.

Lara Scarpitta
The University of Birmingham

David Turnock (ed.), *Foreign Direct Investment and Regional Development in East Central Europe and the Former Soviet Union*. Aldershot: Ashgate, 2005. 361 pp. 99.95 USD, ISBN 0-7546-3248-2 (hardcover).

From the standpoint of economic geography, this edited volume describes the position of the post-Soviet economies in the new global environment. It includes contributions focusing on the sectoral distribution of foreign direct investment (FDI) and the territorial aspect of post-communist economic transformations.

East Central European and former Soviet Union states need to attract foreign capital for development, because such financial resources cannot be generated by their domestic economies. According to the essays in this book, FDI is a vehicle for technology transfer: both equipment-wise and know-how wise. In addition, FDI promotes the use of international standards and increases foreign trade to the benefit of the transitional economies in the region.

Michael Bradshaw’s “Foreign Direct Investment and Economic Transformation in Central Eastern Europe” explores FDI flows in the context of the broader economic

transformation processes in Eastern Europe. The author considers FDI to be a good indicator of successful economic transition, because higher levels of FDI mean better adjustment and integration in the global economy.

Bradshaw's chapter also nicely summarizes the set of policies recommended by the IMF, EBRD, World Bank, the US and the EU in order to attract FDI inflows. These are privatization, price liberalization, stabilization, and internationalization of the economy. Yet the author points out that only certain countries, and certain sectors within these countries, have succeeded in attracting FDI (13). For example, the automobile sector has benefited from investment predominantly in the Czech Republic, Hungary, Poland and Slovakia. Other sectors favored by the international investors are banking, telecommunications and utilities (15). Overall, Bradshaw emphasizes that the internationalization process is highly selective in terms of countries and sectors. As a consequence, it brings about uneven development. John Pickles and Adrian Smith's chapter "Technologies of Transition" reinforces the picture of uneven FDI flows, both territorially and sectorally. The authors present case studies of the automobile industry and the textiles and apparel industry in the post-communist region.

In "Foreign Direct Investment and International Trade" Alan Smith analyses FDI through the structure of exports of post-communist countries. Smith begins with an

overview of trade relations under the influence of the Soviet Union. He points out that the exports of the Eastern European economies to their Comecon partners consisted mainly of labor-intensive consumer goods such as clothing, footwear and furniture; resource-intensive goods such as iron and steel products, fertilizers and unsophisticated chemicals; as well as relatively simple engineering products (57). According to Smith, apart from the restricted nature of trade relations during the Cold War, the Eastern European exports were also not competitive enough and thus they could not penetrate the Western European economies.

Table 4.2 and Table 4.3 summarize the changing character of the transitional economies' exports in the period 1995-1998. Two patterns of specialization emerge. First, the Czech Republic, Hungary, Slovakia, Slovenia and Estonia increasingly specialize in human capital-intensive goods. According to the author, because these economies are converging toward the EU patterns of production, they have better prospects for successful integration in the EU common market. Poland and Croatia have a dual export structure. They have intermediate levels of exports of human capital-intensive goods and a relatively high dependence on labor-intensive exports. As outlined by Smith, the second clear cluster consists of the Southeast European economies and the post-Soviet states, including Lithuania and Latvia. With varying degrees, all these countries

specialize in exporting labor-intensive goods or resource-intensive goods.

A number of chapters in the volume focus on regional strategies in order to attract FDI. For example, David Turnock's "Regional Development with Particular Reference to Cohesion in Cross-Border Regions" demonstrates that the European Union's PHARE Cross-Border Cooperation (CBC) program has provided funds for development to eligible regions in the East Central European EU candidate countries.

Wlodzimierz Kurek's "Developing the Euroregions along Polish-Slovak Border" examines a particular instance of cross-border cooperation between Poland and Slovakia. In one of the cross-border regions, Beskid, PHARE CBC financial aid was used for environmental protection, tourism, handicrafts and infrastructure development (294). In the Carpathian Euroregion, the CBC program helped to renovate and preserve buildings of unique cultural heritage value. Overall, the author points out a range of beneficial effects of cross-border cooperation such as access to new technologies, enhanced management methods, improved environmental conditions and infrastructure, as well as retention of skilled labor (302).

Francis Carter's chapter on Bulgaria traces the first ten years of post-communist economic development and documents the political process behind attracting FDI, the within-country distribution of FDI inflows and the sectoral

patterns of investment. Another chapter, written by Derek Hall, analyzes economic development in the Western Balkans. The author proposes a range of solutions to combat common FDI plights in the region such as the lack of security, political volatility, low level of legality and protectionist measures on behalf of the governments. Hall endorses the efforts of international actors and regional initiatives in order to improve the investment climate in the region. He takes into account the impact of the EU's Stabilization and Association Process (SAP), the Stability Pact of Southeast Europe, the Southeast European Cooperation Initiative (SECI) and the World Bank's Multilateral Investment Guarantee Agency (MIGA) (200).

In sum, if one is looking for a meticulously documented economic geography analysis of FDI in the post-communist space, this volume is highly recommended. However, what one will not find in the book is an in-depth causal explanation of the observed investment patterns in the region.

Aneta Borislava Spendzharova
University of North Carolina-Chapel Hill