









Robert Schuman

The EU Model of Integration -Relevance Elsewhere?

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Introduction

By any standard the European Union (EU) is a successful model of integration. But can it be replicated, even partially, elsewhere? The EU model is highly regarded elsewhere in the world and the attempts to imitate parts of the EU system are perhaps the sincerest form of flattery. In Africa there is the increasingly important Africa Union, as well as a number of regional (e.g. ECOWAS) and sub-regional organizations. In Latin America there is the Andean Pact and Mercosur as well as the Central American Free Trade Agreement (CAFTA) and the Caribbean Community (CARICOM). The North American Free Trade Agreement covers the US, Canada and Mexico. In the Middle East there is the Gulf Cooperation Council (GCC). In Asia there is the association of South-East Asian Nations (ASEAN), the South Asian Association for Regional Cooperation (SAARC) and the Asian regional forum (ARF). There is now much speculation about an East Asian Community and a summit is planned for Malaysia in December to discuss such a development. But no regional organisation has come close to matching the achievements of the EU. What are the key elements that made the EU such a success? This paper reviews some of the factors that are essential for regional integration and examines global trends including the relations between the EU and regional organisations.

The Key Factors

What stands out from a comparison of the EU with attempts to promote regional integration elsewhere is the cardinal importance of political will. Any regional organisation needs the necessary political will to eliminate barriers to trade, to create common policies and to establish common institutions. An allied factor is agreed leadership. In Europe, in the early days of integration, Germany was willing to defer to French leadership. This later became a joint leadership, the famous Franco-German axis, which operated continuously whatever the political constellations in Paris and Berlin. It is the absence of agreed leadership that makes it difficult to envisage progress in many other parts of the world. For example, the rivalry between China and Japan and the lack of Sino-Japanese reconciliation makes the prospects for regional cooperation in Asia are very bleak.

The leader or leaders must also be willing to share power with other partners. In the EU's case this was achieved through an institutional structure heavily biased in favour of the smaller member states. There must also be agreement on shared aims among the partners involved. The sequencing of integration is also important. What degree of ambition do the partners share? What is the size and diversity of the partners? What degree of convergence/ flexibility? Free Trade Areas (FTAs) are at the low end of the spectrum – essentially driven by commercial interests and require little political will although politics often comes into play in other ways. Latin American fears about US dominance have influenced moves towards a Free Trade Area of the Americas (FTAA). It should also be noted that there is an increased trend to use FTAs for political purposes

with US policies after 9/11 being a good example. The next stage is a Customs Union, (CU) involving tariffs and quotas, which is often difficult to implement as it essentially means the actors must agree on a common external trade policy. A CU also brings in revenue and the question then arises how to handle the accrued revenue? The next step would be a single market (goods/services/capital/people) leading to an economic union with (or without) a common currency. The EU model is really one of a successful customs union that has become deeper and wider in contrast to the European Free Trade Association (EFTA) that was a successful FTA but which has become smaller and smaller. It now only comprises Norway, Switzerland, Iceland and Lichtenstein.

The achievement of an economic union raises questions about the budget, a not uncommon source of friction in the EU. There are questions of allocation – trade, competition, industry; questions of redistribution – common agricultural policy (CAP), regional policy; and questions of stabilisation – monetary policy. In the case of the EU the budget is roughly euros 100 billion which is just over one percent of EU GDP. Most of the budget is spent on redistribution - 45% CAP and 35% regional policy. A key element of stabilisation is the need to ensure coherence between the removal of trade barriers and the exchange rate regime, monetary and fiscal policies and capital movements. Coherence can be obtained through different monetary and exchange rate mechanisms. The EU has had the snake, the exchange rate mechanism (ERM) and now the euro.

Another vital element is agreement on common institutions. Do the member states have the political will to create such institutions and invest them with powers? The EU was fortunate in having the Founding Fathers (Robert Schuman, Aldo de Gasperi, Jean Monnet, etc) in the 1950s with the vision to create the supranational European institutions – Commission, Parliament and Court. The Council is the inter-governmental forum of the member states. These institutions have helped inculcate a shared political culture and have also helped deal with diversity among the member states.

One issue often debated is whether convergence is a pre-condition for integration - or is it a consequence of integration? In the case of the EU both factors are apparent. For example there are criteria both for EU membership (Copenhagen) and for participation in the eurozone (Maastricht) while the application of regional policy has led to greater coherence between member states.

The EU is of course an evolving model and currently in some disarray as a result of the failed referendums in France and the Netherlands on the new constitutional treaty. Many models have been proposed for the future of the EU including a la carte (free for all); multi-speed (transitions); variable geometry (core/ periphery); and flexible structures (common base, open partnerships). The debate is likely to continue.

To conclude this review, the most important factors for the EU success can be attributed to political will, setting clear and shared objectives, proceeding step by step, ensuring clear deliverables and establishing solid institutions to cope with the inevitable shocks.

As the EU has developed greater coherence it has also become a more significant global actor with many third countries recognising the importance of this strange power. The most recent example of such growing status was the visit of President Bush to the European Commission headquarters in February 2005, followed by a reciprocal visit by President Barroso to the White House last month. It is to the EU's growing international role that we now turn as this is an important factor in the relationship between regional organisations and the EU.

The Rise of the EU as an International Actor

Since its establishment fifty years ago the EU has steadily increased its presence on the world stage and this in turn has led to more and more regions looking to the EU as a source of inspiration, and, more recently, leadership. In the early years the external influence of the EU was felt mainly as a result of its internal developments. The creation of a coal and steel community (ECSC) and the establishment of the CAP both had a significant impact on world trade. The past decade, however, has seen a major move forward in the development of the EU as a global actor with the institutional structures being completed and the first operations undertaken.

The 1992 Maastricht Treaty established the common foreign and security policy (CFSP) and, despite starting at the worst possible moment, with the break-up of former Yugoslavia, the CFSP gradually began to develop the institutional structures and instruments to enable the EU to play a more visible foreign policy role. There were many setbacks, notably the dispute over how to deal with Iraq in 2002-03, and internal rivalries between the Council and the Commission and between the member states and the EU institutions. But the past decade was also marked by steady progress. Amongst the most significant developments were the appointment in 1999 of Javier Solana as the EU's High Representative for CFSP, supported by a policy planning unit; the Helsinki Headline Goals and the establishment of a common European Security and Defense Policy (ESDP); the establishment of the political and security committee (PSC) plus a military staff and military committee, to guide and underpin the CFSP and ESDP; the development of co-operative links with NATO and the United Nations (UN); the agreement on the European Security Strategy which proclaims 'effective multilateralism' as the EU's guiding principal in its foreign policy; the signing of the European Constitution in October 2004 which laid out the future structure of the EU's foreign and security policy (despite problems over ratification it marked a major step forward in terms of agreement in this sensitive area between the member states). Apart from seeking to strengthen its institutional arrangements, the EU has performed a growing operational role (Balkans, Congo, Aceh, etc) and started to develop a strategic doctrine. The EU is now working to create a 60,000-strong rapid reaction force for future humanitarian and peacekeeping missions. In addition it has created the 'battle group' concept to allow the

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¹ 'A Secure Europe in a Better World: European Security Strategy,' Brussels, 12 December 2003, p. 11. See also Sven Biscop *The European Security Strategy – A Global Agenda for Positive Power* (Ashgate, Aldershot, 2005)

rapid deployment of forces to underpin UN operations.² There remain many challenges but it is difficult to deny that the EU has become a more influential actor today than at any time in its history. It has played a leading role in the Kyoto climate change negotiations, in the establishment of the international criminal court (ICC) and been the front-runner in promoting arms control and disarmament.

What drives regional cooperation?

International relations theorists have often struggled with the phenomenon of regions as actors. The realist view of the self-interested and power-seeking state remains true, it is argued, also for the group of states acting collectively through the EU. With increased interdependence and globalisation, and against the background of an international system with a dominant power (the US), the EU must seek to defend and extend its position internationally. One method of securing its economic interests and ultimately increasing its power is through inter-regional cooperation. The liberal school accepts the view of individuals (and states) as self-interested and competitive but argue that there is also a willingness to cooperate across international boundaries on the basis of shared interests in the pursuit of prosperity and increased welfare. Interdependence is both a causal factor in international cooperation, and also the result of political cooperation among sovereign states, international organisations and non-state actors. Institutions may be regarded as more than simply apolitical actors facilitating international cooperation by providing information, reducing transaction costs, and playing an enforcement or monitoring role. Institutions, and the EU in particular, can be considered as political actors motivated by self-interest and influenced by considerations of position and power in the international system.

In the pursuit of both absolute and relative gains, regional cooperation and interregional relations in particular may be heavily influenced by geopolitical and security considerations. In the past decade the principal factor influencing the international system has been the overwhelming power of the United States. In the absence of any direct challenge to the reign of the hegemon, some argue that inter-regional cooperation remains as the indirect reaction to the pervasive influence and might of the world's superpower. The US has had an ambivalent attitude towards regional integration. It was a strong supporter of European integration in the 1950s and generally has maintained this support albeit sometimes in a lukewarm manner. The transatlantic dispute over Iraq in 2002-03 had a hugely negative impact on EU-US relations. In contrast, the US has been hostile to attempts to promote Asian integration, especially when it was not directly involved in the process. In its own hemisphere it has always asserted a *droit de regard* since the days of the Monroe Doctrine and has never even considered establishing any

² See EPC Working Paper no 11 on *ESDP- The State of Play* and ICG report no 160 on *EU Crisis Response Capability Revisited*

³ This author is not partial to any theory but acknowledges the complexities that characterise the international system requiring a multi- faceted analysis of the driving forces and elements that combine to shape the sys tem.

supranational institutions. The US is the most important partner for the EU and for most other countries and regions. This situation is unlikely to change in the foreseeable future and hence US attitudes will remain very important for the future of the international system. A key EU aim is trying to ensure the US maintains its commitment to a rules-based international system.

Herein lies a major potential area of dispute. In the national security strategy of 2002, and in subsequent statements by President Bush, the US has asserted the right of 'pre-emptive' strikes to protect its security. This was indeed the initial justification for going to war with Iraq in 2003. There are signs that the chastening experience of Iraq and the recognition that military power alone cannot provide solutions may have tempered American thinking. But the appointment of John Bolton to the UN and his attempts to emasculate the Millenium Summit concluding document demonstrate the continuing struggle between the neo-conservatives and conservative pragmatists for control of US foreign policy.

While the EU cannot claim the degree of military and political power of the US in the international system, it has an increasing degree of influence as a result of its soft power (economic and technical assistance, its culture and its approach to international relations). This has been shown in its own efforts to promote 'regime change' in central and eastern Europe. The carrot of EU membership has been a very powerful influence in bringing about dramatic social and economic changes in each country. Some scholars have sought to build a theory around the EU's approach using soft power and support for regional integration. The reality is that EU policy has developed on a pragmatic and ad hoc basis with a mix of factors: political, security, economic, all playing a role in deepening integration. At different times, the EU has emphasized the importance of sticking together to maximize its political weight in the world, it has stressed the security benefits of enlargement and the economic advantages of an ever larger single market. It has also sought to diffuse its values, rules, norms and standards, notably by establishing criteria for joining the EU. This accumulation of rights and responsibilities has led to the development of a certain European identity.

Why would a regional power want to share power through the medium of institutions? Obviously, if the costs of not sharing are higher than the benefits of keeping power unilaterally, then the rational decision is to share power. Most important is the willingness of the big states to share power, and this may be determined by historical, cultural, and political traditions. In foreign policy there is often a struggle between the desire of the 'Big Three', France, Britain and Germany, to pursue their own interests and the stark recognition that they are unlikely to be able to achieve their goals acting alone compared to acting through the EU. The recent case of the EU3 and Iran is a good example of how these competing strains can be reconciled. The EU has a history of internal and external cooperation, so the existence of domestic coalitional interests with a culture of power-sharing will be most likely to produce regional strategies of cooperation. There is a greater guarantee of regional power-sharing where the domestic group or groups share a discourse that is supportive of power-sharing as a way to serve their interests.

The EU has sought to promote its belief in the merits of regional integration by supporting such efforts through a mixture of political dialogue, financial and technical assistance. A brief review of global trends and the EU's relations with other regions will help to illustrate this goal.

Global Trends in regional integration and EU attitudes

Asia

Asia is the fastest growing and most dynamic region in the world. There have been limited attempts to establish regional cooperation but they have largely failed due to serious political differences. These include the above-mentioned Sino-Japanese rivalry, the long-standing Indian-Pakistan conflict over Kashmir and several disputes of a lesser character between the states of south-east Asia. The longest standing EU relationship with a regional body in Asia is with the ten-member ASEAN and dates back to the 1960s. More recently the principal EU-Asian dialogue has occurred with the Asia-Europe Meeting (ASEM) process. These dialogues have been handicapped by the asymmetrical nature of the partners. The EU has regretted the lack of integration among Asian partners, the fact the ASEAN has constantly missed deadlines set by itself, and the deteriorating political climate between China and Japan. In light of these developments there is a trend on the EU side to focus more on its relations with its three Asian strategic partners, China, Japan and India.

To most Europeans ASEAN has been a disappointment. The ASEAN member countries have relied on the gradual development of cooperation and trust among themselves as the principal method of preserving security. Non-interference in each other's affairs has always been a cardinal principle and there has been no attempt to establish significant common institutions let alone share sovereignty. After the Asian financial crisis in 1998 there was much discussion about the possibility of monetary cooperation but this did not lead anywhere and ASEAN has maintained a low degree of institutionalization. It is therefore not surprising that in the inter-regional relations with the EU, the same low degree of institutionalisation is evident. Instead, the EU gives great emphasis to the promotion of its values, norms and rules as part of the dialogue process. This emphasis on the Western approach to human rights and democracy has not always been appreciated by Asian partners. Concrete issues that have been discussed in recent years include terrorism, migration, refugees, Cambodia and Afghanistan. Although there have been no major results from these meetings they have served to promote mutual understanding and have also served a useful purpose in developing the profile of the EU and of ASEAN as international actors. With international profile comes prestige and a strengthening of the legitimacy of the regional actor.

ASEM began in 1996 as an informal process of dialogue and cooperation, covering political, economic, and cultural issues, and bringing together the EU-15, the European Commission, and the ten Asian states (Brunei, China, Indonesia, Japan, South Korea, Malaysia, the Philippines, Singapore, Thailand, and Vietnam). ASEM, like the

Asia Pacific Economic Cooperation (APEC) forum, incorporates as members some countries that belong to no regional organisation, so the weak culture of cooperation through regional institutionalist frameworks is reflected in the way inter-regional relations with the EU are managed. ASEM has taken over many of the functions of the ASEAN-EU dialogue, and offers greater significance for the EU since it includes China, Japan, and South Korea as members. It can be considered a counter-weight to APEC, and a way to reduce the American influence in the region. Like ASEAN, ASEM is non-binding, informal and consensual. Despite the common interests of the two regions in areas such as trade and investment, the ASEM framework has not produced many results and the process has been damaged by disputes over Myanmar's presence and human rights in general.

In 2001, the EU sought to redefine its relations with Asia, announcing a new strategic partnership for the region. The new strategy signalled what amounted to a declaration of intent, to strengthen the EU's political and economic presence in the region, 'raising this to a level commensurate with the growing global weight of an enlarged EU'. Significantly, the new Asia strategy also embraced ideational considerations, with human rights protection, democracy, good governance and the rule of law given prominence (CEC, 2001, p. 18). The new strategic partnership is still at an early phase as far as substantive inter-regional cooperation is concerned. However the geographic scope is much broader than before, since it extends to include Australia, a country with which many of the Asian countries have close economic ties. The strategy rejects the idea of focusing exclusively on the regional organisation and opts for transregional rather than inter-regional cooperation. The EU proposes a shared political project based on promoting peace and security at the global level, enhancing the effectiveness of the UN, and managing the global environment. This partnership extends to shared responsibility for dealing with trans-border issues such as crime, illegal immigration, drugs, and terrorism. Economic issues occupy an important place in the EU strategy towards Asia, and at the heart of the matter is the EU's desire to enhance liberalisation within the framework of the WTO system of rules. The EU also favours a stronger institutional framework in order to 'allow for a more coherent approach' to Asia-EU relations, on the basis that it would 'give a clear public signal of the commitment of both parties to raise our relationship to a new level' (CEC, 2001, p. 12). The overall strategy envisages extending the reach of the EU across issue areas in which previous engagement was limited. One such issue area is social policy, where the EU proposes to engage in further dialogue on social policy issues by presenting the 'European model' as an exemplar of best practice with the 'links between trade and social development, including the promotion of core labour standards'.

The EU discourse surrounding the Asia strategy is firmly linked to concepts such as partnership and the sharing of power. At the same time, the discourse reflects the ideas and normative framework that is the hallmark of the European system. The EU wants to simultaneously diffuse its values and institutional model within and across Asia, while co-opting the Asian countries to support the EU position in international arenas.

Latin America

As the fourth largest economic group in the world after the EU, NAFTA, and Japan, with a GDP of \$1100bn and a population of 220 million people, the Latin American region has enormous economic significance for an economic bloc such as the EU. In this regard, a major focus of EU efforts is support for the completion of the Mercosur internal market, the external liberalisation of the community, and the enhancement of the institutional structure. Mercosur and the Andean pact are the two principal regional organisations in South America with the Central American Free Trade Agreement (CAFTA) countries seeking also to achieve closer integration. All three organizations have been handicapped in their efforts to achieve closer cooperation by local rivalries and the inability of politicians to overcome the opposition of vested interests. From its inception, Mercosur adopted a similar (although more limited) institutional design to that of the EU, and a proposal to deepen the institutional arrangements, to create a dispute settlement system, establish a common competition policy and eliminate non-tariff barriers reflects the continued influence of the EU model. Despite this, it remains an intergovernmental organisation. Parallel to this inter-governmentalism, there continues to be a weak institutionalisation of the interregional cooperation framework for the EU and the Latin American region. For Mercosur, and for Latin America in general, there are possible gains associated with inter-regional cooperation. Collaboration with the EU may serve to raise the profile in the international geo-political arena, an aim that is particularly relevant for Brazil. But there is also the possibility for Mercosur to engage in balancing strategies, not least in the context of the negotiations around the proposed Free Trade Area of the Americas (FTAA). Inter-regional cooperation with the EU could also be a way for Latin American to secure greater autonomy outside the US sphere of influence.

Initially, EU policy towards Latin America was rooted in the EU's development programmes. The current EU strategy paper for Latin America marks a shift away from traditional development policy, and must be seen against the failure of the development models of the 1970s and 1980s. It can also be seen in the context of the proposal to create a FTAA. Both of these facts lend a sense of urgency to the regional political agenda. There are normative considerations driving the EU position, in the stated concerns with poverty, democracy, and the rule of law. But there are also strong political economy forces behind the EU support for Mercosur. While the EU supports the Mercosur integration process and the creation of a 'strategic inter-regional partnership', an overriding motivation for the EU is to counter-balance the likely influence of the proposed FTAA (Mercosur-European Community Regional Strategy paper 2002-2006). Three priority areas of cooperation were identified by the European Commission: the promotion and protection of human rights; the promotion of the information society; and the reduction of social imbalances by means of a global approach to the campaign against poverty. In more concrete terms, the new Latin American strategy focused upon monetary and financial stability, the support for the peace process in Colombia, immigration, drugs-trafficking, and the WTO rules.

The EU is at an advanced stage in its negotiations for an FTA with Mercosur. The focus of this agreement is economic cooperation, largely dealing with trade and aimed at

securing bilateral, gradual and reciprocal trade liberalization in accordance with WTO rules. The EU is therefore endeavouring to prise open what it regards as a potentially lucrative market and using its economic muscle to promote its political values and standing.

Africa

Continental and regional cooperation has developed rapidly in Africa during recent years. The Africa Union, successor to the organization of African States (OAS) has been granted new competences and has begun to play a significant role in conflict prevention and crisis management as witness its efforts in Darfur and elsewhere. There have also been several important moves forward in regional cooperation in southern, eastern and western Africa with ECOWAS perhaps the most advanced example. The emphasis has been on good governance and economic development with the NEPAD example providing a model for others.

The EU has also developed a new strategy towards Africa with new policy papers being proposed by the Commission and Council in October 2005. Previously the EU's approach was almost exclusively based on development and reflected both the traditional bilateral relations many member states enjoyed with their ex-colonies and the Union's total efforts to provide assistance through the Lomé and later Cotonou agreements. The Lomé agreements offered duty- free access to the European market for primary products, without the requirement of reciprocal access in return. There was much rhetoric about partnership but despite the creation of an institutional framework for the conduct of political dialogue and implemention of policies, the partnership singularly failed to produce concrete results in terms of development or the reduction of dependency.

The Cotonou Agreement of 2000 was the successor to the Lomé agreements. The new agreement retained the notion of partnership, but now extended to include the participation by all sectors of society. It also brought two new elements: local ownership, and differentiation among the recipient states. Cotonou is itself a new model of partnership in inter-regional cooperation between the EU and ACP. It recognises the different levels of development among the countries, and proposes a multi-speed approach to development and regional cooperation. Under the Cotonou agreement, development and economic growth are premised upon free trade, and bilateral regional integration based upon economic liberalisation.

The question remains whether the African countries will buy into this trade liberalisation under the guise of regional integration strategy. Concerns have already been raised by many of these countries over the continued viability and relevance of the ACP bloc given the European Commission's intention to negotiate bilateral agreements at the sub-regional level. The EU bilateral strategy of negotiating with groups of countries rather than the ACP bloc impinges on the cohesiveness and unity of the regional grouping. Further fragmentation is a possibility as the gap between the poorest developing countries and those gradually integrating with the global economy widens.

The recent European initiative on Everything But Arms (EBA), which gives market access for every product except military hardware and armaments to the 49 poorest countries is a separate element under development policy. The poorest countries are party to both the EBA initiative and to the Cotonou agreement. However, the EBA offers the best conditions for the poorest countries (non-reciprocal market access for all products) and if they opt for the EBA it could undermine the market access guaranteed by Cotonou and, ultimately impact upon the viability of the ACP group.

The European Scene

Europe has an abundance of regional and sub-regional organizations ranging from the organization for security and cooperation in Europe (OSCE) to the north atlantic treaty organization (NATO) to the Council of Europe to the Baltic Sea cooperation council and the Stability Pact for south east Europe. In most of these organizations the EU is a major actor and often the main financial supporter. With regard to the two security organizations, the OSCE and NATO, the EU plays very different roles. In NATO it has no direct voice apart from through individual member states who have different views on the future of that organization. In the OSCE the EU plays a prominent role in the economic deliberations and less of a role in the observer missions that play an increasing role in that organization. There is also some overlap in the activities of the EU, the OSCE and the Council of Europe, for example, in the promotion of democracy and human rights. The European Commission has carved a niche role as the largest provider of funds for electoral observation, an area in which the OSCE and Council of Europe are also involved. The EU provides the bulk of the funding for activities carried out under the auspices of the Stability Pact for SE Europe and is also involved in the core activities of the Baltic Sea and Barents Sea councils. If the Black Sea economic cooperation takes off then the EU will undoubtedly also be involved.

Inter-regional cooperation between the EU and the Central and Eastern European states (CEECs) has evolved over a number of phases since the collapse of communism in the late 1980s, to culminate in the planned accession of eight new Eastern European states in 2004. With this latest stage of East-West relations, interregional cooperation metamorphoses into full integration as the accession states meet the specified criteria regarding their eligibility for membership.

Perhaps the biggest success of the EU in recent years has been the successful enlargement to include most of the countries of central and eastern Europe. Initially these countries were offered Association or Europe Agreements that involved trade liberalisation, and also imposed EU competition and state aid rules on the signatory countries. But the agreements went further than trade liberalisation, to include multifaceted, preferential agreements of unlimited duration containing clauses on human rights, democracy, and the principles of the market economy. Although not initially offering membership, the agreements were subsequently modified in the wake of the 1993 Copenhagen criteria when the EU set down eligibility requirements, including:

Stable institutions (guarantee of democracy, rule of law, human rights and minority rights);

□ Functioning market economy, and the ability to compete inside EU; □ Ability to adopt the acquis communautaire, the body of EU legislation, and to accept the aims of political, economic and monetary union.

The EU applied a double strategy involving bilateral accession negotiations with applicant countries and a multilateral strategy to tie the applicant countries to EU policies in the international arena. An additional element was the EU's encouragement for subregional cooperation between the central and east European countries. This strategy was accompanied by massive technical and other assistance to ensure the applicant countries were ready for eventual membership in May 2004. The results of this partnership were very successful with some groupings eg the Visegrad group of Hungary, Poland the Czech republic and Slovakia coordinating many policies towards the EU.

The EU has now developed a new European Neighbourhood Policy (ENP) that is designed to minimize any barriers as a result of the latest enlargement. The ENP does not affect the Balkans as they have their own roadmap for membership, nor Turkey and Croatia, the two countries that have just started accession negotiations with the EU. Equally Romania and Bulgaria are excluded as they are scheduled to join the EU in 2007 or 2008 at the latest.

The ENP seeks to persuade the partner countries, such as Ukraine in the east and Morocco and Egypt in the south to adopt EU values and norms in return for greater access to the EU's single market and increased financial assistance. There is again an effort to promote greater sub-regional cooperation between the partner countries.

Conclusion

The EU is developing steadily as a global actor using its soft power to increase its political influence on the world stage and it is likely to remain the most advanced example of regional integration in the world for the foreseeable future. The global trend towards greater regional cooperation will continue but there is unlikely to be any dramatic breakthrough that would see the creation of a supranational authority along the lines of the EU model. The EU will continue to promote these global efforts, partly out of ideological belief and partly out of self-interest. It will strengthen its support for the African Union and regional organizations within the African continent and will do likewise in Latin America. It will be vigilant in observing how developments such as the FTAA might affect its interests and it will keep a wary eye on US policy and on the prospects of an East Asian community. The development of relations between the EU and other regional bodies will very largely depend on the degree of political cohesiveness shown by the partners.

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