

Book Review: Yoji Koyama, *The EU's Eastward Enlargement: Central and Eastern Europe's Strategies for Development*, Singapore: World Scientific Publishers, 2015, vii-xxii, pp. 405.

The European Union (EU) began expanding its supra-national reach eastward in 1990 before the Soviet Union's dissolution, initiating a political economic process that by and large went smoothly until Vladimir Putin began trying to reverse the tide by annexing Crimea in March 2014. This clash of civilizations centered for the moment on Novorossiia has liberated three centuries of national ghosts from the cemeteries of Central and Eastern Europe, the Balkans and Ukraine, threatening the EU's political and economic foundations.

Yoji Koyama's treatise on the EU's Eastward Enlargement (EEE) doesn't address the cold war between Russia and the EU, focusing instead on Central and Eastern Europe's strategies for economic development, but it does shed a great deal of useful light on regional economic heterogeneity. His book provides a lucid overview of the CEEC's (Central and Eastern European Countries) post-Soviet economic systemic changes and transformations. Koyama's motive for writing EEE is his "desire to see (the creation of) peaceful and prosperous small countries of CEEC". He rigorously pursues this goal drawing on his vast CEEC and Balkan experiences by critically analyzing systemic flaws and offering insightful solutions.

EEE is divided into three parts. The first narrates post-Soviet systemic changes in the CEEC, the integration of these countries into the EU, and their performance (transformation). Part II explores these themes in the Western Balkan [Croatia (now an EU member), Serbia, Bosnia and Herzegovina, Montenegro, Kosovo, Macedonia and Albania], and Southeast Europe (Bulgaria and Romania) with special attention paid to Croatia, Serbia, Kosovo and Macedonia. Part III extends the study's scope to include the Baltic States and Slovenia, viewed through the lens of the global financial crisis and the subsequent Eurozone crisis.

EEE is a treasure trove of statistics and charts documenting CEEC, West Balkan, Baltic and Slovenia economic performance, accompanied by a rich narrative describing policies, shocks, adjustments and reforms, allowing readers to compare the experiences of EU and non-EU members, and assess the problems associated with the Euro. With regard to the latter, Koyama contends that the Euro scheme was vulnerable from the outset, and that its future depends on further political integration including the formation of an "economic government" that includes a fiscal union, but he is skeptical of success because he doesn't expect the UK to cooperate. Recent events in Greece confirm Koyama's misgivings. Koyama expects non-EU Western Balkan states to eventually join the EU and adopt the Euro, but based on the Slovenian experience

he urges caution in managing speculative forces.

Although, the lion's share of space in *EEE* is devoted to case studies of economic systems, development, policies and reforms, Koyama in the book's concluding chapter returns to larger national and political themes pertinent to the post-Crimean annexation conflicts roiling CEEC, the Western Balkans, Baltic States and Slovenia. He offers seven summary judgments:

1) The peoples of the region strongly desire to "return to Europe" in part to enjoy western standards of living,

2) America is an *eminence grise* (grey eminence) pressing NATO expansion and the consolidation of post-Soviet global order,

3) The economic vulnerabilities of the Western Balkans parallel those of the GIIPS (Greece, Ireland, Italy, Portugal and Spain),

4) FDI provided by Western companies was the driving force behind CEEC, Western Balkan, Baltic and Slovenian development after 1990. Western companies however are fickle, and their investments mobile, making it essential for recipient governments to devise their own independent domestic economic drivers,

5) Neoliberalism is problematic. It has virtues, but isn't a panacea,

6) The EU is a way station on the road to joining the EMU for non-members. This ultimately may be a blessing, but will prove troublesome unless the EU advances further toward "economic government",

7) The EU is unlikely to be extended to Turkey or the Ukraine.

These summary judgments are sound and illuminate the terrain moving forward. The EU at the moment is in supra-national disarray. It is mired in secular stagnation, has embarked on a politically and economically dangerous course of QE monetary expansion, is being buffeted by nationalistic ghosts-of-the-not-too-distant past, and is conflicted in its attitudes toward Russia's reassertion of the Kremlin's Soviet era spheres of influence. The dream of the greater EU project remains, but could swiftly be transformed into a nightmare if Koyama's sage advice is ignored.

Readers should stay tuned and patiently await *EEE*'s sequel.

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