

LESSONS ON EUROPEAN INTEGRATION THROUGH EUROPEAN FUNDS: THE CASE OF CROATIA

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Abstract. *This article examines Croatia's trajectory toward European Union (EU) integration through the lens of European funding absorption, economic convergence, and political alignment. Although a latecomer compared to Central European states, Croatia rapidly progressed to full membership, adopting the euro in 2023 and joining the Schengen Area the same year. The analysis emphasizes the interplay between institutional readiness, cultural alignment, regional diplomacy, and the role of civil society. Drawing from comparative data, academic sources, and policy documents, the article explores how Croatia's unique historical positioning—bridging Central Europe and the Western Balkans—has shaped its integration outcomes. The study also highlights internal vulnerabilities such as corruption, demographic decline, and uneven development, arguing that EU accession remains a necessary but insufficient condition for deep structural transformation. Lessons from Croatia offer a nuanced perspective for other Southeast European states navigating accession or post-accession fatigue.*

Keywords: *Croatia, European integration, EU funds, Eurozone, Schengen Area, civil society, Southeast Europe*

1. INTRODUCTION AND GEOPOLITICAL SETTING

Croatia's path toward full European Union membership has been both emblematic and exceptional. As the first country to join the EU following the 2004–2007 enlargement wave, and the only post-Yugoslav state to achieve full integration, Croatia's case invites renewed scrutiny of what it means to “belong to Europe” in both symbolic and institutional terms. Since submitting its formal application in 2003 and joining the EU in 2013, Croatia has successfully entered the Eurozone (2023) and the Schengen Area (2023), placing it among the most advanced post-socialist states in terms of legal and macroeconomic integration.

Yet these achievements conceal a complex reality. Croatia's accession negotiations were the longest in EU history, driven by concerns over corruption, war legacy, and administrative capacity. Furthermore, while the country has successfully accessed over €15 billion in EU funds since 2013, absorption has been uneven, and regional disparities persist. The central question is not only how Croatia joined, but what it has gained—and what challenges remain.

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This paper argues that Croatia’s integration reflects a layered interplay of economic pragmatism, cultural identity, and strategic diplomacy. The study is structured thematically, beginning with an overview of the accession process and funding instruments, followed by an analysis of Eurozone and Schengen accession. It then explores the roles of civil society, decentralization, and cultural positioning, before turning to persistent vulnerabilities such as demographic decline and governance deficits.

By positioning Croatia as a bridge between the Western Balkans and the EU core, this article highlights how formal accession is only one stage of a longer and more uncertain transformation. The Croatian case offers valuable lessons for countries like Serbia, Bosnia and Herzegovina, and Moldova—as well as for the EU itself, as it reconsiders the depth and pace of future enlargements.

2. METHODOLOGY AND THEORETICAL ANCHORING

2.1. Evidence streams

- Document analysis: 42 EU legal acts (2004-2025); all Convergence and Cooperation & Verification Mechanism (CVM) reports on Croatia; Eurostat regional files.

- Secondary statistics: World Bank World Development Indicators; ECB Statistical Data Warehouse; Transparency International CPI; UNWTO tourist flows; NATO defence-spending tables.

- Parliamentary discourse: 220 Sabor plenary transcripts (2001-2013) coded for identity frames by the Institute for Development and International Relations (IRMO, 2023).

- Process tracing: four “critical junctures”—Pelješac Bridge financing decision (2017), Krk LNG terminal inauguration (2020), Council vote on Schengen (8 Dec 2022), EC/ECB green-light for Bulgaria’s euro adoption (4 Jun 2025).

2.2. Theoretical lenses

- Europeanisation via conditionality (Grabbe 2006: 14; Elbasani 2013: 89) explains how incentives shape legal transposition and institution-building.

- Post-functionalist identity politics (Hooghe & Marks 2009: 14) highlights how culturally resonant frames accelerate or obstruct compliance.

- Good-governance traps (Mungiu-Pippidi 2016: 4) diagnose why corruption and regional disparity persist after accession.

3. FROM CONDITIONALITY TO MACRO-CONVERGENCE

3.1. Benchmarks and negotiations

Croatia began accession talks in October 2005, opening 35 *acquis* chapters—29 subject to opening and closing benchmarks. These required demonstration of sustained anti-corruption investigations (Chapter 23) and protection of minority rights (Chapter 24) before the European Council would allow final closure. The “benchmark double-lock” lengthened negotiations to eight years but embedded durable institutions: the USKOK anti-corruption bureau gained investigative autonomy; a Vocational Training Centre for minority police recruits opened in Bjelovar.

3.2. Rule-of-law outcomes

According to USKOK data, convictions for “abuse of office” rose from 12% (2004–2008) to 45% (2011–2013), as trials of high-profile figures—including former

Prime Minister Ivo Sanader—initially bolstered public trust. However, by 2022, the conviction rate had dropped to 31%, illustrating a loss of reform momentum commonly observed after EU accession, when conditionality weakens and incentives lose their effectiveness (Sedelmeier, 2011: 6). Brussels now relies on the Rule-of-Law Conditionality Regulation (2021) and Recovery and Resilience Facility milestones to sustain pressure.

3.3. Administrative capacity and fund absorption

The Central Finance and Contracting Agency (CFCA) merged pre-accession (IPA) and cohesion procedures, digitalising tenders through the EOJN portal. Payment cycles shrank from 230 days (2013) to 96 days (2020), propelling Croatia to an 82 % absorption rate in the 2014-2020 budget period—easily outpacing Romania and Bulgaria.

4. ECONOMIC READINESS AND EURO-ZONE ACCESSION – A DEEP DIVE

Croatia's adoption of the euro on January 1, 2023, marked a significant milestone in its European trajectory, positioning it as the 20th member of the Eurozone. While the timeline appeared rapid, the country's transition was the result of years of structural reforms, fiscal discipline, and strategic alignment with European Central Bank (ECB) convergence criteria.

4.1. Macroeconomic Fundamentals and Monetary Policy Convergence

Croatia's path to euro adoption was facilitated by a high degree of informal euroization: by 2020, over 65% of bank deposits and nearly 90% of corporate loans were denominated in euros. This significantly reduced the risks and public apprehension surrounding currency transition. Moreover, Croatia entered the Exchange Rate Mechanism II (ERM II) in July 2020, committing to maintain its currency exchange rate within a $\pm 15\%$ fluctuation band. In practice, the kuna remained tightly pegged at 7.53450 HRK per euro, demonstrating stability well within the expected thresholds (ECB, 2022).

The country consistently met the Maastricht criteria:

- Inflation remained moderate (4.8% annual average in 2022), within the reference value.
- Fiscal deficit declined below 3% of GDP before the COVID-19 crisis and returned to compliance shortly thereafter.
- Public debt dropped from 84% of GDP in 2015 to 68% by late 2022, following sustained fiscal consolidation (IMF, 2023).

These indicators demonstrated not only formal compliance but also resilience in the face of external shocks.

4.2. Post-Adoption Impacts and Strategic Benefits

The euro changeover brought tangible macroeconomic and political benefits:

- Elimination of currency risk enhanced investor confidence and reduced costs for cross-border transactions.
- Improved credit ratings from Moody's and Standard & Poor's followed shortly after adoption.
- Deeper market integration enabled Croatian firms to operate with reduced transaction costs and lower administrative burdens across the EU.

Critically, inflation fears linked to the euro were largely unfounded. A 2023 ECB blog reported that while food and service prices rose marginally, the overall inflation differential attributable to the euro changeover was limited and temporary.

However, Croatia also faced trade-offs. By relinquishing monetary policy autonomy, it had to strengthen fiscal tools and enhance labor market flexibility. The government introduced compensatory mechanisms—such as inflation-adjusted pensions and subsidies for vulnerable groups—to mitigate the short-term distributional impact of currency transition.

4.3. Bulgaria's Upcoming Accession

Croatia's experience now serves as a reference for Bulgaria, which, according to the European Commission (2024), meets the four Maastricht criteria and is preparing to adopt the euro on January 1, 2026. This shift may rebalance monetary dynamics in Southeast Europe and reinforce Croatia's role as a regional economic model.

5. SCHENGEN INTEGRATION AND REGIONAL MOBILITY – INFRASTRUCTURE MEETS DIPLOMACY

Croatia's entry into the Schengen Area on January 1, 2023, consolidated its position within the EU's core institutional architecture. The accession came after years of investment in border management and legal harmonization, and positioned Croatia as a transit and security hub for both tourism and logistics.

5.1. Administrative Preparation and Technological Upgrades

Croatia's path to Schengen membership was paved by significant investments:

- Over €300 million in funding (via ERDF and the Internal Security Fund) was allocated between 2016 and 2022 to upgrade border infrastructure.
- More than 6,000 smart surveillance cameras, biometric passport scanners, and EUROSUR-compliant monitoring systems were installed along borders with Bosnia and Herzegovina and Serbia.
- Air and sea ports, especially in Zagreb, Split, and Dubrovnik, underwent major digitization to comply with Schengen Entry/Exit System (EES) standards.

These upgrades enabled Croatia to meet the stringent conditions laid out in the 2019 Schengen Evaluation Report, earning political support from key EU states.

5.2. Economic Spillovers and Cross-Border Efficiency

Schengen membership has already produced measurable outcomes:

- Tourism flows increased by 18% during the spring and fall of 2023, especially from Slovenia, Austria, and Germany, with over 2.5 million additional overnight stays.
- Logistics efficiency improved: the average customs processing time for freight trucks decreased by over 50% on routes connecting the Port of Rijeka with Hungary and Austria.

These developments highlight Croatia's transformation from a peripheral border state to an internal mobility hub, reinforcing its maritime and trade significance.

5.3. Regional Leadership and Diplomatic Leverage

Beyond technical compliance, Croatia leveraged Schengen entry to strengthen its diplomatic clout. It has advocated for Schengen enlargement to include Romania and Bulgaria, whose land borders were finally opened in January 2025.

Croatia now acts as a “Schengen gatekeeper” for the Western Balkans, playing a strategic role in EU external border policy and regional stabilization. This status also carries responsibilities—particularly in managing asylum flows and cross-border crime—which will test Croatia’s institutional robustness and solidarity within the EU framework

6. CULTURAL IDENTITY AND RELIGIOUS AFFILIATION

Catholicism’s political significance in Croatia predates the modern state: the seven-century-old Zagreb Archdiocese long framed Croatia as a frontier of Latin Christendom vis-à-vis the Ottoman and later Habsburg empires. That self-image was revitalised after 1991, when Cardinal Franjo Kuharić urged a “moral reconstruction in European partnership.” Two papal visits (John Paul II in 1994 and 1998) were broadcast live and drew over 700,000 participants—roughly one-sixth of the national population—embedding EU aspirations into popular religiosity.

Quantitative discourse analysis (IRMO, 2023) shows that during the 2011–2013 negotiation sprint, references to *kršćanska Europa* (“Christian Europe”) appeared in 41% of parliamentary speeches, up from just 9% in 2001. Diplomatically, shared Catholic heritage fostered normative alignment with Austria, Poland and Slovakia—countries that often co-sponsored position papers on social policy, education, and environmental regulation during Council negotiations.

However, this symbolic capital also produced internal tensions. The 2013 constitutional referendum defining marriage strictly as heterosexual was framed by proponents as a “European Christian value” defense, while critics saw it as a backlash against EU rights norms. President Josipović’s 2014 Life Partnership Act—legalising same-sex civil unions—was an attempt to harmonise Croatia’s legal framework with EU standards, while appealing to the inclusive social teachings of Catholic doctrine. This illustrates a Janus-faced identity: religious affinity can accelerate alignment, but may also complicate liberalisation.

Cross-confessional programs funded by Erasmus+ now run in Vukovar and Rijeka, fostering dialogue between Catholic and Orthodox youth. Religion thus remains both a political resource and a normative tension point in Croatia’s post-accession governance.

7. CIVIL SOCIETY AND DECENTRALISED GOVERNANCE

Croatia’s civil society has matured substantially under EU influence, though not evenly. According to the Balkan Civil Society Development Network (2022), Croatia scores 56/100 on civic space—higher than Romania or Bulgaria but trailing behind Slovenia. The growth of NGOs has been geographically uneven, concentrated heavily in Zagreb and coastal regions, with many rural areas left underserved.

EU funding has proven transformative. The European Social Fund’s Operational Programme for Human Resources allocated over €1.1 billion between 2014 and 2020, with a dedicated share for NGO capacity building. More than 8,000 NGO staff were trained in EU project management, while 63 Local Action Groups (LAGs) under the LEADER/CLLD program implemented rural revitalisation projects.

Yet, critical issues remain. Nearly 42% of CSOs report that over 80% of their funding comes from short-term grants, undermining sustainability. Watchdog organisation GONG documented that 18% of EU-funded local projects were awarded to NGOs linked to political figures, raising concerns about clientelism.

On decentralisation, counties like Istria and Primorje-Gorski Kotar have embraced participatory budgeting and smart specialisation strategies. Istria's Maker-Space for youth innovation, co-funded by the ERDF, has attracted over 12,000 visitors. Meanwhile, counties like Sisak-Moslavina struggle due to administrative deficits; a post-earthquake ERDF package in 2020 was delayed by over a year due to procurement bottlenecks.

As Corpădean (2018: 99) observes in the case of Montenegro, EU funding only becomes a tool of democratic consolidation when accompanied by genuine local ownership and political will. Croatia's regional disparities in CSO capacity reflect a similar duality: while some regions internalize EU norms and innovate with decentralised governance, others remain vulnerable to elite capture and clientelist practices.

A relevant parallel can be drawn with the trajectory of the Republic of Moldova, where—as shown by Șoproni and Petrila (2025: 204)—civil society has actively contributed to socio-economic inclusion through EU-funded initiatives promoting employment, social enterprise, and local service development. These efforts, while externally supported, illustrate the role of NGOs in advancing integration and participation at the subnational level.

Thus, EU funding is a lever for empowerment—but only when local institutions possess adequate capacity and political independence.

8. TOURISM, SPORTS & SOFT POWER — A MULTI-LAYERED PORTFOLIO

Tourism accounts for nearly 20% of Croatia's GDP and represents its most recognisable soft-power tool. In 2023, Croatia recorded 22 million tourist arrivals—surpassing its pre-COVID peak. The “Digital Nomad Visa” (2021) was a strategic innovation, attracting over 12,000 remote workers annually, primarily from North America and Western Europe.

Cultural diplomacy initiatives also play a role. Dubrovnik's UNESCO-funded Visitor Management System uses AI to balance cruise ship arrivals, boosting per-visitor revenue while preserving heritage sites. Croatia also leveraged film tourism: HBO's *Game of Thrones*, shot in Dubrovnik and Split, brought in €180 million in local spending, leading to new ERDF co-financing for creative industries.

In sports, Croatia continues to punch above its weight. The national football team's consistent performance—including a second-place finish at the 2018 FIFA World Cup—elevates the country's international profile. Other sports, such as water polo and sailing, strengthen Croatia's brand as a maritime and athletic nation.

However, mono-dependence on the Adriatic coast creates vulnerabilities. Climate forecasts predict excessive summer heat by 2040, potentially deterring peak-season tourism. In response, the National Recovery Plan has earmarked €300 million to develop inland cultural routes and thermal spa networks, diversifying both geography and seasonality.

9. COMPARATIVE OUTLOOK: ROMANIA AND BULGARIA — LESSONS AT CROATIA'S FLANKS

9.1. Cohesion Policy Uptake and Governance Quality

Romania contracted € 75 billion under the 2014-2020 EU budget and spent roughly 72 % of allocations by December 2023, up from 45 % two years earlier. Yet systemic weaknesses remain. The European Anti-Fraud Office (OLAF) opened 11 investigations in 2022—mostly procurement-rigging in road construction and IT tenders. The European Court of Auditors (ECA 2023★) notes that half of the irregularities stem from “in-house” contracting without genuine competition.

Bulgaria, rocked by anti-corruption protests in 2020-2021, redesigned its Public Procurement Act, introduced an e-invoicing platform (BGS2P) and trimmed the VAT-gap from 16 % (2019) to 14 % (2023) (European Commission VAT Gap Study 2024★). Absorption rose to 68 %. Political instability, however—five elections in three years—delayed large-scale transport tenders, leaving € 1.7 billion in 2014-20 allocations for late re-programming.

These governance disparities reaffirm the lessons learned from Poland’s earlier success. As Petrila (2018) emphasizes, Poland’s superior cohesion performance derived not merely from administrative capacity, but from early investments in interregional solidarity, pre-accession training, and structural cooperation between state agencies and non-state actors. Romania and Bulgaria, though improved, still trail these standards—especially in aligning fiscal discipline with local development outcomes.

9.2. Euro Adoption as a Governance Stress-Test

The ECB/EC Convergence Report of June 2025 confirmed Bulgaria’s compliance with all four Maastricht criteria: HICP inflation averaged 3.9 %, the fiscal deficit 1.6 % of GDP, and lev stability remained within the ERM II fluctuation band. Still, public-sector readiness is under scrutiny. Croatia’s National Bank (CNB) estimates that minting and logistics cost its own change-over € 0.5 billion; Sofia’s larger cash economy could push costs higher, testing Bulgaria’s €/BGN Cash Change-over Masterplan.

Romania, despite stronger GDP growth (4.7 % in 2024) and higher absorption, postponed its euro target date to 2029. The Fiscal Council warns that twin-deficits—budget and current-account—breach Stability-and-Growth thresholds. The contrasting strategies sharpen Croatia’s role as euro mentor: Zagreb’s Kuna/EUR “dual-display playbook” has been translated into Bulgarian and Romanian for retailer training.

9.3. Schengen Enlargement and Competitive Spill-overs

The full land, sea and air accession of Bulgaria and Romania to Schengen on 31 March 2025 ends Croatia’s brief monopoly on visa-free entry points between the Black Sea and the Adriatic. Logistic simulations by the South-East Europe Transport Observatory (SEETO 2024★) forecast a 12 % shift in container traffic from Rijeka/Koper toward Constanța and Burgas by 2028, assuming rail upgrades along Corridor IV. Croatian ports therefore push value-added services—cold-chain logistics, LNG bunkering, bonded warehousing—to retain market share.

Tourism competition will intensify, too. Bulgaria’s Black Sea resorts clocked 5.6 million international arrivals in 2023, Romania’s Danube Delta 1.5 million. With Schengen land borders removed, self-drive tourism from Poland and Hungary can reach those destinations without delays—pressuring Croatia’s inland diversification strategy (thermal spas, cultural routes) to accelerate.

10. ENDURING CHALLENGES AND STRUCTURAL DUALISM — DEEPENING THE DIAGNOSIS

10.1. Corruption and Judicial Independence

Croatia's TI-CPI score stagnates at 50/100 (2022)—unchanged since 2017. High-profile cases, such as the Mamić tax-evasion saga, expose judicial bottlenecks: appeals lasted eleven years, feeding perceptions of impunity. The European Commission's 2024 Rule-of-Law report flags scarce use of plea bargains and weak asset-recovery (only 18 % of frozen assets confiscated in 2022). A Supreme Court e-filing pilot—financed via the RRF—aims to halve backlog by 2026; disbursement of € 164 million in digital-justice funds depends on meeting that target.

10.2. Demography and Labour-Market Strain

Fertility holds at 1.45, well below the 2.1 replacement rate. Net emigration of – 12 000 in 2023 continued a trend that drained 9 % of the workforce since accession. The World Bank (2023) projects a 250 000 labour shortfall by 2035, equating to 15 % of projected vacancies. The government now pilots circular-migration accords with India, the Philippines and Egypt (9 000 seasonal permits in 2024) and funds a € 2 500 return-bonus for diaspora ICT workers

10.3. Territorial and Digital Gaps

Gross Value Added per capita (2022) stands at 140 % of the EU-27 average along the Adriatic but just 55 % in Slavonia. Broadband coverage reveals the same fracture: 62 % household penetration in Slavonia versus 95 % on the coast (Eurostat regional ICT, 2024★). Energy poverty rates exceed 20 % in inner Pannonian counties. EU cohesion policy 2021-27 earmarks € 1.8 billion for “Slavonia, Baranja & Srijem” under a performance reserve: disbursement hinges on achieving 90 % broadband and 120 km/h rail upgrades by 2026.

10.4. Policy Feedback Loop

These patterns confirm what Vachudova (2014: 130) observed in her assessment of the Western Balkans: while EU leverage can successfully impose formal compliance with *acquis* requirements, genuine transformation depends on the presence of domestic coalitions capable and willing to sustain reform. In Croatia, structural divides persist despite formal alignment. Central ministries continue to monopolize access to Cohesion and Recovery and Resilience Facility (RRF) funds, while subnational authorities in lagging regions face chronic deficits in administrative capacity—particularly in terms of certified engineers and EU-compliant auditors—thereby limiting their ability to build and manage viable project pipelines. This uneven absorption landscape has prompted civil-society watchdogs such as GONG and the Croatian Journalists' Association (HND) to propose innovative accountability mechanisms, including a territorialised performance veto. According to this logic, infrastructure projects in wealthier counties would be temporarily halted if underperforming, lower-income regions consistently fall short of spending thresholds—thus repurposing EU funds as tools not only for convergence, but also for distributive fairness and institutional balance.

These disparities also echo broader regional patterns in EU neighbourhood policy. Poiană and Petrilă (2023: 210), in their analysis of Ukraine's democratic resilience, note that even with sustained EU support, governance bottlenecks and weak

local coalitions hinder the emergence of effective project ownership. Croatia's low-income counties risk a similar fate if absorption mechanisms remain centralised and under-professionalised, particularly in the face of growing demographic and fiscal asymmetries.

These structural shortcomings have also been linked to broader patterns observed in EU candidate and neighbouring states. Ciot (2023: 225; 2024: 160) highlights that civil society plays a dual role in the accession process—not only implementing projects but also mediating European values and institutional practices locally. However, this role depends on legal clarity, administrative maturity, and shared normative frameworks. In many peripheral regions of Croatia, such prerequisites remain fragile, which limits the transformative impact of EU leverage.

Moreover, internal divisions within civil society can obstruct integration efforts. As shown by Dolghi, Mărcuț, and Polgár (2025: 71), in the Moldovan case, civic actors are often divided along East–West allegiances, which shape perceptions and loyalties and hinder the formation of cohesive coalitions. Croatia's post-conflict regional dynamics—marked by divergent local identities and contested narratives—may produce similar obstacles to civic unity, especially when European initiatives are perceived as exogenous or politically biased.

Brie and Solcan (2025: 158) argue that identity politics continues to shape civic participation in post-socialist societies, where societal cohesion requires more than institutional reforms. Their research underlines the importance of symbolic inclusion and regional belonging. For Croatia, this suggests that future integration efforts must not only enhance absorption capacity but also address the deeper social foundations of trust and inclusion in disadvantaged areas.

11. FUTURE OF INTEGRATION IN SOUTH-EAST EUROPE — STRATEGIC SCENARIOS

Croatia now plays a bridging role in the EU's Western Balkans strategy. The European Commission's 2023 Growth Plan for the Western Balkans offers €6 billion in funding, contingent on progress in alignment with the EU Single Market. Croatia supports coupling this with governance reforms—particularly in public procurement and judicial transparency.

Three plausible scenarios emerge:

1. **Fast-Track Convergence:** Countries like Serbia and Albania make rapid regulatory progress, enabling sectoral integration and customs facilitation by 2027. Croatia could serve as a logistical hub for North-South trade via the Adriatic-Ionian Corridor.

2. **Stalled Hybrid:** Political instability in Bosnia and Herzegovina or Serbia's relations with Kosovo could stall enlargement, reducing Croatia's influence and shifting EU focus to micro-level cooperation.

3. **External Fragmentation:** Rising influence from China's Belt and Road Initiative or Russian-backed energy investments could deepen divides. Croatia may respond by forming mini-lateral partnerships with Italy, Slovenia, and Greece on maritime and energy security.

Croatia has the opportunity to become a policy innovator—especially in customs modernisation, Schengen implementation, and cross-border cyber infrastructure.

12. GEOPOLITICAL OUTLOOK: ENERGY, SECURITY, DISINFORMATION — A DEEPER DIVE

Croatia's geopolitical role has evolved post-accession, especially in energy and digital security. The expansion of the Krk LNG terminal—planned to double capacity by 2027—has transformed Croatia into a strategic player in Europe's gas diversification. The country is also part of a planned Adriatic hydrogen corridor connecting Greece, Albania, and Slovenia.

Defence spending now exceeds 1.9% of GDP (NATO, 2024), with investments in French Rafale jets and Black Hawk helicopters aimed at enhancing regional deterrence. A new cybersecurity command in Osijek, co-financed through the RRF, hosts training for Bosnian and Serbian specialists.

In information warfare, Croatia's 2024 Media Literacy Strategy led to a 35% decline in Facebook disinformation reach, although Telegram and TikTok remain vulnerable. The EU's Code of Practice 2.0 now includes Croatian fact-checkers as moderators for regional content.

These developments indicate Croatia's shift from passive integration to proactive regional security actor.

13. DEMOCRATIC ENGAGEMENT AND ELECTORAL PARTICIPATION IN THE POST-ACCESSION ERA

Croatia's path toward European integration has been marked not only by institutional transformation but also by evolving patterns of democratic participation. A key indicator of the societal impact of EU accession is voter turnout—particularly in European Parliament (EP) elections—which reflects both political engagement and the perceived legitimacy of European institutions.

In the immediate aftermath of EU accession in 2013, Croatia's participation in the EP elections (held just months later) stood at only 20.8%, one of the lowest turnouts in the EU. This trend continued in 2019, with a turnout of 29.9%, compared to the EU average of 50.6% (European Parliament, 2019). The gradual decline in voter turnout across post-communist Europe has been widely interpreted as indicative of a deepening disconnect between citizens and the evolving European political architecture. Initial phases of democratic transition were characterized by high levels of political enthusiasm and civic mobilization, which have since been replaced by growing disillusionment in the face of economic hardship, institutional volatility, and limited responsiveness of political elites (Kostadinova, 2003: 743–745). These developments challenge assumptions about the depth and sustainability of Europeanization beyond formal institutional alignment (Sedelmeier, 2011: 6).

The post-accession decline in civic enthusiasm parallels what Gherghina and Mișcoiu conceptualize as “mythological fatigue”—a symbolic exhaustion following the fulfillment of grand narratives such as the “return to Europe.” As noted in Gherasim-Proca's (2013: 185) review, this phenomenon reflects the fading of political energy once accession goals are met, revealing the growing tension between the idealistic promises of integration and the persistent inequalities of everyday governance.

Domestic elections have also been marked by fluctuating turnout. Presidential and parliamentary election participation peaked in the 1990s during the state-building years but has declined steadily since, with turnout below 53% in the 2020 parliamentary elections (Croatian State Electoral Commission, 2020). In local elections, particularly in underdeveloped regions such as Slavonia, participation remains below national

averages—fueled by political disenchantment, economic marginalization, and youth emigration.

Despite these numbers, civil society and new political actors have played a growing role in revitalizing public discourse. NGOs such as GONG (Citizens Organized to Oversee Voting) and Platforma 112 have promoted democratic accountability and transparency. Anti-corruption protests in Zagreb (2016, 2021) reflect the civic pushback against elite capture and stagnation, dynamics that persist in many post-accession states (Mungiu-Pippidi, 2016: 3).

European funding has also indirectly encouraged civic engagement through programs like Europe for Citizens and the European Social Fund, which supported local participatory projects and youth dialogues on democratic values. According to a 2022 Eurobarometer report, 61% of Croatians under 30 expressed trust in the EU, while only 38% trusted national parties—highlighting a generational split and the potential for more pro-European youth activism.

Finally, Croatia's media landscape remains polarized, and disinformation continues to affect trust in democratic processes. The European University Institute's Media Pluralism Monitor (2022) flagged concerns regarding editorial independence and political clientelism in public broadcasting, which can reinforce cynicism and voter apathy.

These dynamics underscore the complexity of democratic consolidation in a new member state. While Croatia has institutionalized core democratic structures, challenges remain in bridging the gap between formal political participation and meaningful civic engagement. The EU's role in fostering long-term democratic culture, particularly among youth and marginalized groups, will be crucial in the coming decade.

14. CONCLUSION

Croatia's path to European Union membership demonstrates both the promise and complexity of post-accession transformation. As the newest full EU member to adopt both the euro and Schengen membership, Croatia has symbolically and institutionally bridged the divide between the Western Balkans and the European core. This success is due to a convergence of factors: geopolitical positioning, cultural and religious affinity with Central European states, sustained elite consensus, and strategic use of EU pre-accession instruments.

European funding—both before and after accession—has played a critical role in transforming public infrastructure, enhancing institutional capacity, and fostering regional development. Croatia's absorption rates, while initially modest, have steadily improved, and innovative uses of EU funds in coastal and decentralized regions illustrate the potential of cohesion policy to serve not only economic, but also democratic goals.

Nonetheless, the Croatian case also reveals the limits of Europeanization. Structural dualisms—geographic, demographic, and institutional—persist. While the Adriatic coast thrives, the eastern and central regions lag behind in terms of digitalization, infrastructure, and social capital. The country continues to grapple with corruption at multiple levels, and although progress has been made in public procurement and judicial reform, public trust in institutions remains fragile.

The democratic sphere offers a mixed picture. While formal democratic institutions are well established, voter turnout remains low, especially in European Parliament elections—suggesting a disconnect between citizens and both national and EU-level politics. At the same time, Croatia has seen the rise of civil society

mobilizations and a new wave of youth activism, often oriented around issues like transparency, climate, and social equity. EU programs have supported this bottom-up engagement, but structural challenges—media partisanship, political clientelism, and a limited consultative culture—continue to hinder deep democratic consolidation.

Comparative insights from Romania and Bulgaria further illuminate Croatia's position. While all three countries have made progress in European integration, Croatia has moved faster in formal terms—adopting the euro and joining Schengen earlier. Yet this relative speed must be balanced against ongoing vulnerabilities, including demographic decline and internal inequality, which threaten the sustainability of Croatia's development model.

Looking ahead, Croatia stands at a crossroads. The tools of European integration—legal convergence, financial support, market access—have largely been deployed. The remaining challenge is societal consolidation: fostering inclusive growth, deepening democratic participation, and cultivating resilience in the face of internal and external shocks. If Croatia can pair its institutional achievements with meaningful civic renewal and equitable development, it may yet offer a compelling model for the Western Balkans and beyond.

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