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The Economic Integration of the Central and Eastern European Countries into the European Union: Special Reference to Regional Development

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Abstract: The purpose of this paper is to research on the Central and Eastern European countries' (CEECs) economic development after joining the European Union (EU). Moreover, this study highlights the key policies of economic integration into the EU and integration is a success story for the CEE countries. This paper also describes the key indicators and tools of the development model adopted by the CEE countries as a member of the EU. This study covers the period from 2004 to 2021. The objective of this study is to relate to the EU's economic and trade policies, and how they brought the development to the region after the successful integration. To what extent, the CEE countries could develop their economic position in comparison to the other EU member countries. The research used empirical and comparative analysis methods to search the economic growth and regional development. Through this method, the research answers the questions and tests the hypothesis. The study concludes that the economic integration of the CEECs into the EU is successful. As a result, the development of this region has been accelerated and the EU's economic policies have successfully been implemented in many countries. Finally, The EU's economic policy has changed the dynamics of regions' development and shaped the stronger trade and common market among the member states. The EU's integration has impacted the gradual economic growth across the CEE countries.

Keywords: Economic Integration, Regional Development, European Union, CEECs, Economic Policy.

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Introduction

The main focus of the article is the economic transformation of the CEECs after their inclusion in the EU. The CEE countries are Bulgaria, Croatia, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, Slovakia, and Slovenia. On the 1st May, 2004 ten members from the CEE countries joined the EU. It was a historical and the most significant step for the CEE countries that became full-fledged members of the EU. Thus, the EU's integration policy shaped bigger political and economic cooperation in Europe. The EU cohesion policy brings out the member countries to closer economic cooperation. Path dependency is used as the footprint of deeper economic integration in the development of the region. Path dependence characterises the historical facts and whatever economic decision took place in the past (Arthur, 1994; David, 1985, 2001). Furthermore, it is to shape the regional integration and cooperation to incorporate the region's development that formulates according to the process of path-dependent (Isaksen, 2001; Tödtling and Michaela, 2005). The driver of economic growth is considered within the development models of placed-based or endogenous growth. In this study, the areas of economic integration and regional development are discussed under the qualitative source of the comprehensive development of the CEECs. Moreover, in the light of economic integration and the common European market, there is proper economic engagement in the European Union (Halaskova et al., 2020, p. 231).

The dynamics of economic development have highlighted the issues for the CEECs to create a common market and competitive economic progress. The research analyses issues regarding unemployment, underdevelopment areas and the establishment of welfare organisations in the region. The main results analyse the proper development of the CEE countries following the EU rules and policies. There are the indicators of this analysis, such as the unemployment rate and issues of migration, economic growth, upon the outcomes of regional development to boost the economic development (Drastichová, 2015; Mishchuk and Olena, 2015).

The objective of this research describes and examines the reciprocal economic integration and mutual collaboration between CEE countries and western countries. The CEECs want to accelerate economic development through its accession to the European Union. The EU is also keen to start the economic development in the region through their eastward enlargement. There are six research questions to test this study to connect its objectives: 1) To what extent have the CEE countries' economic integration into the EU has to achieve success? 2) What are the key indicators whether CEE countries' economic development, the market economy, employment rate, rural development, higher education improved since 2004 and continuous advancement in these areas? 3) What is the extensive transformation occurred for the CEECs countries as a member of the EU? 4) How do the impacts of EU economic policies affect the economic growth of these countries? 5) How do these transitions affect the investment in the region, public sector, and labour? 6) What are the positive and negative outputs of EU membership for the CEECs countries and to what extent has this membership affected the new member state's domestic economic reforms?

Literature Review

It was the historical process of economic transformation after the fall of communism when CEECs integrated into the European Union in early 2004. The eastern enlargement is the largest to date and commitment to internal economic development in the region. It is the prime motto to reform the economic growth in this region and fill the income gap of the people compared to the rest of Europe (Rosi and Tabernacki, 2006, p. 9). The exchange and agreement between the EU and CEECs have led the preferential expansion for economic growth (Martin and Turrion, 2003). The EU's trade policy has been establishing the market economy in the region which is a great success to accelerate the economy to reach the mass people. It is increasing productivity in the CEECs and eradicating any form of international barrier to incorporating the EU's market across the central and eastern region. This is the key approach of the EU which is known as a very effective policy in the region and also in the public domain (Carayannis and Popescu, 2005). It is likely to increase trade and commerce in light of the EU's expansion toward CEECs. The EU expansion policy changed the dynamics of CEECs. The creation of trade investment between EU and CEECs open the new economic and trade relation. By and large, the EU's economic integration brought foreign direct investment (FDI) to the CEECs and trade investment increased among various member countries as well (Kangas and Niskanen, 2003). Overall trade among member countries supported and facilitated the positive outcome of the customs union. Empirical studies relate to the assimilation of the CEECs to the EU and constitute an example of mutual understanding of the economic growth of the region (Aitken, 1973).

In the era of economic cooperation at the international level, the EU created history to unite the CEECs under an umbrella in the prism of economic integration. Nowadays, various countries attract capital, and international market values to share for import and export. There is the hard competition to get major economic success worldwide. That's why competitiveness could be defined as an achieved success to join the international economic club (Kitson et al., 2004). According to the Single European Act (SEA), CEECs successfully became members of the European Community (EC). Although, according to the EU treaty, European markets have been unified and economic progress is relevant to the formation of a monetary union. The treaty of Maastricht (1992) incorporated the deep roots to shape the integration policy and established the economic and monetary union (EMU). There is a connection between the cross-border people's engagement theorises by Professor Europa Viadrina. Because of his extraordinary effort, the cultural and institutional correlation was established. Through this process, the EU made their way forward in economic and trade cooperation (Yoder, 2003, p. 98). Quah (1996) discusses that any geographical region which belongs to the European regions cannot live in separation. It doesn't matter whether there is a physical distance and territorial gap among the countries in the regional economic income distribution. This notion is helpful to make stronger collaboration between the two parts of countries under a flag. The question of CEECs countries' integration for regional development understands the theoretical approaches of economic benefit. The EU's policy is to accommodate all regional partners under the common rule of the land. Now CEECs countries are interested to assimilate the substantial regional growth highlighted by the EU. The prime motto of regional development in CEECs has been broadened by the notion of institutional transformation from the old value to the newer one. The central part is the incorporation of the market economy and autocratic regime into democracy. The institutional changes in the CEECs, this explanation outlines the main changes that have occurred in the economic geography (Lux, 2018).

Moreover, the CEECs in the 90s were deeply rooted in the legacy of socialism. The EU's imposed the principles of treaties to join the EU as a full-fledged member of the union. Because of the older values of communism in the CEECs, there was a slow process of regional development till the end of the 90s. It is justified that the economic geography had increased due to globalization and the rapid change of the world order to capture the market economy ((Amin, 2001; R. Martin, 2000), since 2000 world market has been growing rapidly across the world. EU policies have also been prepared to capture the economic geography in comparison to other economic power at the global level (Boschma, Frenken, 2006; MacKinnon et al., 2009).

The dependent market economy (DME) is an assessment of CEECs economies in the region. It is related to legislative action for cooperation with multinational companies (MNCs) and correlates with the international demands for business partnership. The CEECs are adopting various rules of the law and norms to promote their economic growth (Markiewicz, 2020). In this contrast, there is slow economic growth in CEECs and the first stage of growth after the inclusion into the EU impacts negative assessment. Moreover, there are several differences in the comparison between western Europe and CEEC's inflation rates and levels of price rates (Mockaitis, 2005, p. 198). Plikynas et al. (2005) analysis of the international companies' investment pattern in the CEECs. The FDI and developing economic sector influence the international investor in the region as well. Apart from the EU's investment in the region, global businessmen are keen to settle industry in the region. There is an argument that countered the admission of the new member state in the EU is affected by the establishment of the labour market and it could be affected by the monetary union (Hughes Hallett et al., 2005). The EU's economic expansion toward the CEE countries set the goal to achieve economic interdependence in Europe. Through the invention of a new economic policy for the growth of adequate rational development of CEE countries, the range of benefits of integration (Aszlo Bruszt, 2015, p. 39) could be achieved. During 2005–10, the common market in the CEE region was slow compared to the old member states. Despite many pros and cons of the union's single market policy, the general development of the CEE countries in the direction of market values gradually shaped the goal. There is the expansion of the market economy in the region to control the future prosperity of economic development (Sedelmeier, 2008).

The EU's investment in the large EU market is an expansion in the new member states that compete for the presence of the USA (United States of America). It is the administrative responsibility to run the liberal market in the CEECs region. Whereas, for example, the US solely invests in education and agricultural business in the region. China's Belt Road Initiative (BRI) and 17+1 projects are challenging another regional partner to strengthen the economic ties in CEECs (Bruszt, Julia, 2014). The external finance in the CEE countries depends on their economic growth. The improvement of FDI in CEE countries shapes the structural development in this region. FDI is an essential cause of the rational development and restoration of institutions in the developing path. In this area, the developing project could be expedited to get foreign investment. The EU's fund providing agencies have been continuously supporting the national project which is considered of international importance. During the 2009–2019 fiscal year (worldwide recession), the CEECs obtained adequate development funds. The manufacturing sector in the CEE countries notably functions since the recession time which is functioning through foreign investment. The EU's financial assistance is continuously strengthening many projects in Visegrad countries (Popescu, 2014).

After inclusion in the EU, the investor from the global level had been attracted to the CEE countries since 2005. The CEE countries try to focus on accelerating the country's economy through the prism of globalisation. Thus, many countries started the privatisation of public institutions and foreign investors' funds for the proper regional rationale development. The development model started according to public-private partnership (PPP) and attracted the FDI in the region (Kornecki, Raghavan, 2011, p. 540).

Meantime, FDI is boosting the enhanced economic development through the share of technology transfer, growth of employment rate, and support the high-level productivity. FDI can expedite stimulating innovation in the concerned country. Moreover, FDI can bring changes in the cultural and social development areas (Mueller, Srecko Goic, 2002). After getting FDI from many countries, CEEs realise the positive effects of foreign investment. FDI is boosting their economy gradually and countries are in the transition period. At the level of FDI and foreign aid in the CEE countries, it has surpassed the past two decades of economic history. We generally think that capital flow is stabilising and reconstructing the economy and rational development in the CEE countries. The CEE countries had started their central plan which is based on getting foreign investment after the regime changes in many countries. Moreover, the CEE countries wanted a stronger economy in their countries, that is why the central plan aim is to achieve the official economic support to expedite the market reforms. The CEE countries are supporting the private capital continuation. The Economic Cooperation and Development (OECD) is also providing official support to get economic aid. OECD is assisting to promote the country's developing institutions which directly support the people's welfare. There is financing in the CEE countries as foreign aid, grants, and loans are provided by the many international organisation. FDI with private flows, investment from many global powers in the region, and international portfolio investment (IPI) have been dominated by FDI (Zoltan, 2002, p. 18).

The CEE countries have been getting an inflow of growth in foreign investment since 1990. There is a sign of variation in FDI in CEE countries during 2003–04. There was a tremendous dip in foreign investment (9.648 USD million). Although, by 2005, FDI had been restored in the CEE countries and it reached USD 26.764 million. The world economy attracts the CEE countries after their inclusion into the EU. Then, many CEE countries invited entrepreneurs into the region. The CEE country's delegate visited and participated in the emerging economic regions (Cernat, Vranceanu, 2002, p. 121).

Theoretical Framework

The model of neoclassical growth propagated by Slow (1956) highlighted the cross-country disparity, and homogeneity if technology affected the per capita income. This is the model of research analysis that could get benefitted from the interstate business for long-term economic partnerships. Further, the neoclassical model is helpful to adjust the trade balance among various countries (Solow, 1956). Lucas (1988) and Romer (1986) described the absence of distance in new growth theories among the different kinds of economic backgrounds of people. There is a wide range of economic initiatives for regional development despite many disparities in the region. Regional partnership and cooperation are associated with the concept of subsidiarity. As far as, the theory provides clear cut direction towards promoting the bottom-up policies for local level needs. There is a need to understand national governments and the Commission to change the structure. The EU is committed to stimulating regional governments to adopt the instantly institutional changes (Bailey, de Propris, 2002, p. 305).

Here, we mark the critiques of traditional theoretical approaches to the decision-making process and thought of EU's neo-functioning approaches and intergovernmental policy. He stated that the integration policy of the EU created policymaking influence within the member states in the region. The aim is to share the common values across the intra-levels of government in the form of sub-national, national and supranational (Marks et al., 1996). According to the theory of democracy, the relationship between the state and democracy is a key path-dependent indicator in the argument. Thus, Goodhart's describes the modern account of democracy which has its path of analysis for the people's rights and is not dependent on other kinds of democratic norms (Goodhart, 2007). As the citizens of the EU and sub-nation, both identities of the people can't' breach the joint exercise of sovereignty. The citizens of CEE countries use democratic rights in the same way as other EU citizens (Hurrelmann, 2014, p. 95).

The EU is promoting the norms of a democratic state at the national and international level as an international organisation. The main approach is the EU's notion of democracy. Through this notion at EU heights, it is operational at the domestic level of the democratic development process and its expansion to correlate with EU's member states' governments. It has been applied in CEE countries in light of democratic and economic cooperation among the member countries. The EC doubtlessly want to transfer the law and legal provision of CEE countries into the EU. It is the logical point of beginning the multi-dimensional partnership within the union. As long as, because of the democratic nature of the EU, there are several bodies prima facie that uses the legacy of democratic norms and values. And it is an inspiration that member countries adopted democratic values and transform their institutions. With the nature of the supranational value of EU democratisation, many kinds of different legitimate relationship between the EU and other members is established. Viner (1950) pioneered the traditional trade theory to analyse the economic convergence that leads the economic growth as a consequence of economic integration (Matkowski, Próchniak, 2007, p. 60). Neoclassical models along with the analysis of the new growth theory have eradicated the obstacles to the mobility of production and removed the restriction of exchanges. This act can strengthen the monetary union and improvement in the economic institutions. The barrier-free trade and commerce shape the higher income and productivity rate (Berry et al., 2014; Chambers and Dhongde, 2017; Delgado et al., 2010; Emvalomatis, 2017; Martin, 2005; Matkowski and Próchniak, 2007; Saygılı, 2017; Voigt et al., 2014).

Besides, endogenous growth theory defines itself to create an increase in scale level, which is the central argument to incorporate convergence politics into neoclassical theory (Stanišić, 2012). In an economic study, the empirical analysis doesn't have consistent positions as convergence to achieve the goal of proper income. CEE countries do not have lots of job opportunities for their young people in the region. The groups of students have been studying in western European countries and seeking a job there. There is neither the EU's investment in CEE countries nor the FDI from the global economic power for the fulfilment of proper structural development in the region. In the 1950s, economic convergence had arisen as a matter of research in the mid-20th century in the world. The empirical study has been spreading in academia around thirty years later (Abramovitz, 1986; Baumol, 1986; Long, 1988).

With the theory of economic integration and in the context of the phenomena of economic convergence, the people are enthusiastic to study in the EU. The euro came into force in 1999 and pioneered the new economic institution, the Economic and Monetary Union (EMU). There is the main motto behind the launch of the common currency in the EU for the proposal to bridge the gap among countries on economic disparities. Furthermore, there are also reasons to introduce the euro as the common currency of the EU, the eastern enlargement in 2004 and 2007 respectively. Many political scientists are opposing the economic integration of countries. They are opposing economic convergence and criticise the policy of integration (Balassa, 1973; Druzhinin and Prokopyev, 2018; Haas, 1958; Lindberg, 1963; Machlup, 1977; Molle, 2006; Recher and Kurnoga, 2017). Despite the opposite criticism of economic integration in regional development, the EU continuously draws the line of the economic development programme in CEE countries. Nowadays, overall development is needed for everyone's life which is related to economic development.

Methodological Approaches

The comparative analysis of the CEE countries is presented in the field of regional development in the aspect of economic growth and institutional transformation. Moreover, the comparative study shows the variation of regional growth and important characteristics. Thus, the test of hypotheses comparatively analyses the CEE countries with comparison to CEE countries' GDP per capita as regional economic growth as an average rate of EU GDP. When this research compared the EU's GDP rate with CEE countries, we noticed the level of the CEE countries lagging behind the EU's average economic growth. The CEE countries' economic growth and level of development in the various region are comparatively low economic development in various countries such as Poland, Hungary, Slovakia, Czech Republic, Romania, and Bulgaria. There are various kinds of regional inequalities identified and marked as significant regional growth among these countries (Psycharis et al., 2020).

The theory of modernization links economic development and regional growth, which does not guarantee institutional development in a democratic form of government. As far as, the democratic set-up can arise without any kind of relationship with economic development (Acemoglu et al., 2007; Przeworski et al., 2000), the CEE countries have been transformed from a communist legacy into modern democracies. Meanwhile, the EU promotes democratic rule and law in the CEE countries according to Copenhagen criteria. It is the process and policy of the EU for new applicant members. Most of the CEE countries have a semi-presidential form of government. Regional growth in the CEE countries as the macroeconomic analysis of local economic development, it can be found as a form of hypothesis in the discussion of convergence (Monastiriotis, 2014).

This comparative study analysis the EU's fund for the CEE countries' development. The EU announces in the period 2014–2020 within the framework of the cohesion policy of the financial perspective. EU's financial support proves the future agenda of the union for the CEE countries. The new development is set for regional development in the period 2021–2027. By and large, the EU's continuous support to the CEE countries is the central theme of the policy. The CEECs remain the main beneficiaries of EU financial assistance. It has attracted another economic power in this region, for example, China becomes the EU's main counterpart in the CEE countries (Ferry, McMaster, 2013, p. 1501).

Result

The central problems in the CEEC region are infrastructural configuration and institutional development. The regional infrastructure and development issues remain in the region, which are the burning key issues raised by the opponent political groups in the CEE countries. The political commentator raised the principle points regarding the political rationalisation and a will to establish a strong economic zone in the region. Thus, the people think comparatively about the infrastructural establishment and investment in the private sector which has already developed in the western part of the union (Downes, 2007). In the early 21st century, the CEE countries were willing to join the EU to reconstruct their economic and institutional development. The CEECs could easily be benefitted from their geographical location in the western market. It is easy to deliver goods, trade and business among the CEE countries (Pavlínek, 2009). The EU is interested in incorporating a stronger structure and functioning political institutions in the form of democracy. The EU's Copenhagen criteria have been applied to member countries. The CEE countries' political institutions have become more democratic institutions rather than earlier government institutions. Because the involvement of the EU in the transformation of the CEE countries has become an example. The governance of institutional bodies had increased after the EU membership. There should be the functioning of the legislative body, executive bodies and judiciary in a better way than before. Although, many countries are suffering from political and institutional corruption in CEE countries. Corruption and crime are prime issues in some countries (Grabbe, 2001).

The financial crisis had reduced the economic growth during the recession time in the financial year 2008–2010. Approximately around 20% growth rate dropped in CEE countries. Thus, the EU is continuously shaping regional development in all aspects. Meantime, the migration crisis had occurred across Europe during 2015–2016. During the migration crisis in Europe, many populist leaders challenged the EU's immigration policy and the European solidarity was in a severe situation. The right-wing parties from Poland and Hungary strongly opposed taking refugees at a maximum quota system (Gorzelak, 2020). Despite the populist nature of politics in some CEE countries, the economic partnership continually supports regional development.

Regional Development and Governance in Countries

The European Berlin Council (1999) seeks to reform and adopt liberal values, a market economy, institutional building and a plan to modernise the development of all aspects since this summit of the first wave of countries. These countries are Poland, Hungary, the Czech Republic, Estonia and Slovenia. The pre-accession EU's flagship economic restructuring programme (PHARE) was launched to boost economic development in Poland and Hungary. PHARE programme is helping to pioneer the institutions according to the level of the EU and it focuses on the member countries to acquire the acquis. The developing mechanism and institutions build and nurture to achieve social cohesion and economic reconstruction in the CEE countries (European Commission, 1999). The institution-building is the alternate objective of the EU during the accession. The CEE countries build their institutions according to the law of EU institutions. The successful democratic and economic institutions shape the economic development in the CEE countries. The EU's structural policies are also pioneered in the economic settlement, although, the EU's structural fund envisaged the economic and trade set-up in the CEE countries. The CEE economy development has gradually low output and it has an associated with the sense of indigenous production capabilities in the many countries (Ferry et al., 2017).

Sustainable economic and trade sectoral growth is to a great extent and depends on the sense of innova-

Table 1: CEE countries gross domestic product (GDP)

Country/Economy	GDP (Nominal) GDP in USD billion			GDP (PPP) GDP in USD billion			Rank	
	2020	2021	Changes	2020	2021	Changes	Europe	World
Poland	595.916	655.332	59.416	1,296.850	1,412.300	115.450	7	20
Romania	248.716	287.279	38.563	589.866	653.903	64.037	10	36
Czech Republic	245.349	276.914	31.565	436.234	469.067	32.833	16	47
Hungary	155.013	180.959	25.738	322.846	359.901	37.055	20	54
Slovakia	104.491	116.748	12.257	179.381	194.081	14.700	24	70
Bulgaria	69.209	77.907	8.698	164.068	177.697	13.629	25	74
Lithuania	55.843	62.635	6.792	108.484	117.634	9.150	28	85
Slovenia	53.547	60.890	7.343	82.530	90.909	8.379	29	95
Latvia	33.478	37.199	3.721	60.064	65.053	4.989	31	104
Estonia	30.626	36.039	5.413	49.559	55.710	6.151	32	111

Source: https://statisticstimes.com/economy/european-countries-by-gdp.php.

tion approach. The CEE countries are able to get success as average rather than higher expectations before. The region from Visegrad countries is doing better than another eastern country. At the microlevel in the CEE countries, there are several weaknesses available at the regional, national and sectoral levels related to the unequivocal nature of innovation activities (Radosevic, 2002, p. 94). The article indicates the perspective of EU members for a clear agenda to assimilate the union convergence. The variables had attached to the EU membership as economic liberty, quality of public and private institutions, good governance, competitive market and high-quality level of the institutional environment for market settlement. The inflow of EU aid and accelerated international trade and FDI boost the economic structure in the region. The aim is to achieve the alternate goal of a higher level of gross domestic product (GDP) (Rapacki, Prochniak, 2019, p. 3). According to Krugman, countries' economic development creates a higher GDP, if foreign investments support the development of economic units. Because many countries in this region are highly dependent on foreign aid and FDI. FDI could lead to boosting the gross level of economic development in CEE countries (Krugman, 1991).

The results describe the eleven CEE countries' acceleration of economic development becoming a reality after the membership of the EU. The EU significantly contributed to the rapid economic growth of CEE countries. The results indicated that the CEE countries continuously adopted the EU criteria as real convergence according to the analysis of this research. By and large, the CEE countries' inclusion into the EU is a success story to achieve economic heights.

The research finds out the EU integration policy impacted the CEE countries to transform all kinds of institutions into democratic base values and norms. Moreover, this integration policy is aimed to expand the economic geography of the CEE countries for the betterment of the European people. The comparative results balance the previous key findings that are rooted in economic growth in the CEE region with a successful integration policy. In addition, the research finds that the EU's integration policy brought out the FDI in the CEE countries. Thus, CEE countries have been gradually achieving the goal of economic growth (Kancs, 2007, p. 94). The structural fund is provided by the EU for concrete development in different fields. The CEE countries' transport and highway have been developed. In the education field, there are many scholarship funds approved by the EU in various universities, colleges, institutes, and other fields institutions as well. The comparative analysis of regional development perspective to conjugate another field as well as and including economy developing programme. The CEE country's universities and national or international institutions are getting Erasmus plus a scholarship (Scherpereel, 2010).

The CEE countries entered the market economy three decades ago and economic growth has been accelerated in this region. Between 1996 and 2018 CEE countries achieved 114 percent average growth in per capita GDP. The ten countries are Bulgaria, Croatia, the Czech Republic, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia. This economic growth is increased by around 27 percent in the EU's four countries' economies: France, Germany, Italy and Spain. Since the last decade, the CEE countries became attractive regions for global investment. The EU policy brought economic transformation and investment, which has been partially filling the economic gap in the region. Now people from CEE countries enjoying a significant economic rise and growing living standards (Marciniak et al., 2018). Apart from the EU and US, China's Belt and Road Initiatives (BRI) and its 17+1 projects have been deeply involved in these countries and investing in all sectors, for example, manufacturing, construction, education, tourism, and others. The New Silk Road of China's policy ranges across the CEE countries and direct wood train coming from Beijing to Belgrade. The Chinese woods train approaching another capital cities of the CEE countries (Bharti, 2022c). It is more important to highlight the post-transition economies of CEE countries, which is needed to expedite the economic progress in the comparison of the EU's Western states that are far ahead of the CEE countries (Gorynia et al., 2020, p. 36).

In the case of Romania and Bulgaria, there is a widespread growth in unemployment and poverty. Because of lagging in economic reforms in the countries. There are some delays in economic transformation and its economy continues suffering with black holes in the state economic system (Bharti, 2022a). The eastern enlargement is a milestone of the EU's policy to integrate the CEE countries. The

EU is very keen to develop the region in the aspects of various sectors. The recession came in 2007–2008, which has been impacted negatively the context of economic development in the CEE region as well as in some of the key Western countries (Bharti, 2021, p. 162). The centrally planned market economy is unable to predetermine success. The whole economic transformation is in the process to achieve economic success in the region. There is some problem with the establishment of a market economy in the CEE countries. The CEE countries have some aspects of the ex-communist legacy, fragile political institutions, worsening economic position, and inexperience in managing the competitive market economy (Bharti, 2022b; Lipton & Sachs, 1990).

The EU is running two major programmes for rural development. The Common Agricultural Policy (CAP) and Rural Development Programmes (RDPs), are associated with rural development programmes and it is binding to provide assistance to the farmers. The RDPs must continue to contribute to the conservation of biodiversity in cultivated/forested areas. The EU released the fund for rural development under the CAP account for Euro 37.2 billion in 2020. The CEE countries had a large and significant inverse effect on the likelihood of belonging to a high-spending region in the restoration and improvement of natural capital (-41.8% score) (Zasada et al., 2018).

Higher education is the key agenda of the EU across the member states. For a long time, the EU had initiated to promote of higher education among the member states and laid the foundation of the European Higher Education Area (EHEA) and mobility programme launch. The Bologna Process has played an important role in triggering national reform processes aimed at increasing commodification. The Bologna-based activities enabled policymakers from the CEECs to meet and exchange strategies and ideas for reform which, in various cases, go beyond the real objectives of the Bologna declaration (Dobbins & Knill, 2009). Polish higher education has been expanding and attracting foreign researchers, students and professors. From the broader approach, Poland is a bit far compared to other CEE countries (Tarlea, 2017). The growing number of enrolments from foreign students has increased in Polish universities and institutions because of the liberalisation of the market for education in the country.

Conclusion

Regional development is a key approach of all CEE countries and shows a strong economic convergence in the EU. The newly integrated countries want quicker economic development in the region rather than old member states. As a result, the comparative analysis of the income gap decreases compared with older EU member states. The exiting capital links, commerce and trade among the member states are stronger. The research finds out that gross regional development needs much more investment and FDI in the CEE countries. The research further suggests that economic growth and regional development from the experience of CEECs in the described period would be a recommended area for further scientific research in an economic settlement in the region.

The research finds that the basic economic structure in Bulgaria and Romania, respectively, is fragile in comparison to other CEE members. The Visegrad countries are larger beneficiaries of the EU's fund and FDI as well. As the result of the comparative research since the integration, the GDP growth per capita in CEE countries has been increasing from 2005 to the worldwide recession, of 2010. During this period Romania recorded a higher level of economic gain in 2010, it was the highest rate compared with other members. By and large, the expansion of the EU eastward is a successful economic convergence in the CEE region for regional development.

The study comparatively explained that countries had a better understanding of the EU's economic policies for regional development as rising prosperity. There is the construction of a solid economic establishment in the CEE region after the result of average economic growth. Despite the outbreak of the economic crisis in the CEE region, the level of sustainability growth was comparably enthusiastic in 2016–2017. The EU has been initiated for eastward enlargement to achieve a wide economic boost. By and large, the EU is an economic power not only in Europe, but the EU's participation to nurture economic cooperation and becoming a member of a strategic partner in the world (Bharti, Bharti, 2022). The EU values refer first and foremost to basic principles and values such as peace, democracy, the rule of law, respect for human rights, the market economy, the functioning of institutions, etc. This research suggests that the EU needs to establish stronger economic institutions to eliminate poverty and unemployment in the CEE countries.

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