



A WIDER EUROPE WITHOUT THE GOLDEN CARROT OF MEMBERSHIP

A Study on the Effectiveness of EU Political Conditionality in
Providing Political Reforms in Morocco and Ukraine under
the European Neighbourhood Policy

By

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A WIDER EUROPE WITHOUT THE GOLDEN CARROT OF MEMBERSHIP A Study on the Effectiveness of EU Political Conditionality in Providing Political Reforms in Morocco and Ukraine under the European Neighbourhood Policy

Master Thesis Report

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This report is written in order to obtain the title Master of Science in European Studies

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Place and date: Enschede, March 23rd 2010

PREFACE

This thesis is carried out in fulfillment of the requirements for the degree of Master of Science in European Studies at the University of Twente. Without the aid, advice and support of several of people this thesis would never had become a reality and therefore I would like to take this opportunity to thank them here.

First, I would like to express my sincere gratitude to my first supervisor Dr. Andreas Warntjen for his advice and feedback. I am also grateful to Prof. Dr. Wessel not only as my second supervisor but also as director of European Studies. I really enjoyed studying European Studies at the University of Twente and learned a lot.

I also would like to thank a number of people that gave me information about the ‘Fuzzy-Set Qualitative Comparative Analysis’ method and about the implementation progress of the studied countries in adopting EU liberal actions: Prof. Dr. Charles Ragin (University of Arizona, USA), Claude Rubinson (University of Arizona, USA), Prof. Dr. Benoit Rihoux (Louvain University, Belgium), Damien Bol (Louvain University, Belgium), Eva Obermeier (Maghreb Unit European Commission), Jérôme Cassiers (Delegation of the European Union, Morocco), David Stulík (Delegation of the European Union, Ukraine) and Olga Moksymenko (Delegation of the European Union, Ukraine).

Finally, I wish to thank my dear parents, brothers and friends (a special thanks to Asli Gurates). It has not always been easy but your strong support motivated me to continue, thank you for always being there for me, especially my parents.

I hope you will enjoy reading my master thesis report, like I enjoyed writing it!

Kaoutar Kanjaâ

Enschede, March 22nd 2010

ABSTRACT

The European Neighbourhood Policy (ENP) is largely modeled on the enlargement process as it uses the same framework and political instrument, namely EU political conditionality. EU political conditionality refers to a set of conditions defined by the EU which have to be met by the target state in order for it to join the Union or profit from her assistance. This political instrument seemed to be successful for the EU enlargement process, but whether it also will gain success for the ENP is still the question. According to studies on the ENP, its prospects for success are minor since the EU does not offer the neighbouring countries the golden carrot of membership and this is seen as the cause for the ENP to fail. But also other conditions have an impact on the effectiveness of EU political conditionality. The purpose of this thesis is to explore a number of these conditions to explain EU political conditionality's effectiveness under the ENP. I used the conditions of Schimmelfennig and Sedelmeier's EU external governance models to explain the degree of compliance of two ENP participants, namely Morocco and Ukraine. The first model, the external incentives model is a rationalist bargaining model and presupposes the importance of 'credibility of EU accession' and 'domestic adoption costs' for conditionality to be effective. The second model, the social learning model follows core tenets of social constructivism, namely 'commitment to Europe', 'societal salience' and 'economic interdependence', which are assumed to be important for the process of EU rule transfer and adoption. Studies on the impact of EU political conditionality in the pre-accession show that a 'credible EU accession' and 'low domestic adaptation costs' have been individually necessary and jointly sufficient conditions for compliance (Schimmelfennig et al. 2003). Whether this is also the case for the studied ENP countries is explored in present study with the use of a mix of methods.

Key words: *European Neighbourhood Policy; EU Political Conditionality; European Union; Morocco; Ukraine; Comparative Study.*

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CHAPTER 1 INTRODUCTION

The enlargement of the European Union (EU) entailed the necessity for the EU to build a deeper relation with its neighbouring countries. Especially now the Eastward enlargement process is almost completed, the EU will dedicate more attention and energy to utilize aid and support to the countries with which it shares its borders (Dannreuther 2006: 193). These countries in Eastern Europe, Southern Caucasus, the Middle East and Northern Africa confront the EU with (common) challenges such as minority issues, illegal migration, security issues, environmental degradation, and economic and institutional instability. In order to safeguard and secure the EU member states from these external risks, and to increase the welfare of its neighbouring countries, the Union launched in 2004 the European Neighbourhood Policy (ENP). This policy falls in the frame of the Common Foreign and Security Policy (CFSP), and its objective is to create a common area of prosperity, stability and security, with a high level of political integration and economic cooperation. Through this greater engagement with its partners on political, economic and security issues, the EU offers its neighbouring countries the chance to participate in various EU activities if they show commitment towards principles of democracy, good governance and human rights, and towards good neighbourly relations. Already in 2003 the Commission proposed that over the coming decades “the EU should aim to develop a zone of prosperity and a friendly neighbourhood – a ‘ring of friends’ – with whom the EU enjoys close, peaceful and co-operative relations. In return for concrete progress demonstrating shared values and effective implementation of political, economic and institutional reforms, including in aligning legislation with the acquis, the EU’s neighbourhood should benefit from the prospect of closer economic integration with the EU” (European Commission 2003: 4). The EU, like other political actors, wants to be able to promote and protect its interests on the international stage (Ferrero-Waldner 2006: 139), and this can only be realized when it has a strong cooperation with its neighbouring countries. Therefore the Union intensifies its cooperation with the partner countries further in a broad range of areas: political dialogue and cooperation, trade, aspects of internal market policies, energy, transport, information society, environment and research and innovation, social policy and people-to-people contacts (European Commission 2004a: 2).

The countries who are participating in the ENP are Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, Occupied Palestinian Territory, Syria, Tunisia and Ukraine. The ENP offers these countries many of the benefits which were previously only associated with the EU membership. The ENP Action Plan (AP) is the central element of the ENP and each participant country has its own AP as the countries differ in terms of culture, language, religion, aspirations, and economic, political and social situation and relations with the EU. The AP is developed jointly by the EU and the target government, and respects EU’s broad principles and values as well as the unique interests of the participant country, but the Union also takes the activities of other interested partners (states and international institutions) into consideration (Smith and Weber 2007: 4). It is not always easy to balance these competing forces, therefore there are still a number of ENP countries without an AP. The AP sets out an agenda of political and economic reforms with key priorities which duration is short or medium-termed for 3 or 5 years, and offers incentives for the established reforms. Before the Action Plan is being developed the Commission first assesses the country’s political and economic situation in a Country Report. The progress of the implementation of the AP of each ENP country is regularly being monitored and presented in a progress report. The implementation of reforms was first being supported through various forms of EC-funded financial and technical assistance, and is since January 2007 being replaced by the European Neighbourhood and Partnership Instrument (ENPI). This instrument focuses on the implementation of the AP, and it is more flexible and policy driven than the previous ones.

The ENP is largely modeled on the enlargement process as it uses the same framework and political instrument, namely ‘political conditionality’. Political conditionality refers to a set of conditions defined by an international institution or a government state, and a target state that wants to join the international institution or profit from its assistance has to implement these conditions first. Studies on the impact of political conditionality in the Eastward enlargement process show that credible EU accession incentives and low domestic adaptation costs have been individually necessary

and jointly sufficient conditions for compliance (Maier and Schimmelfennig 2007: 44). Thus, according to these studies, the effectiveness of political conditionality broadly depends on the balance between cost and benefit. The ENP does not offer membership incentives, and the domestic adaptation costs are high as most of the participants' regimes are far from democratic and therefore adaptation of Western liberal values, norms and standards would have (huge) affect on the polity of these countries. What does this mean for the effectiveness of EU political conditionality under the ENP?

The ENP is attracting increasing attention in the academic literature (Smith 2005; Kharaman 2005; Schimmelfennig 2005b; Dannreuther 2006; Kelley 2006; Lippert 2007; Kochenov 2008; Wolczuk 2009). According to this literature the prospects for ENPs success are minor, since mainly the incentives offered by the EU are being questioned and seen as the cause for the ENP to fail. But also other conditions could have impact on the effectiveness of EU political conditionality. These conditions are among others an unclear formulation of the ENP conditions and benchmarks, and are related to participants' (economic and political) interdependency, regime type and attitude towards the EU and its values and norms. Most of the academic findings on ENP are based on analysis on only one ENP country, but these findings are not representative for all the participants and they leave out the opportunity to analyze (other) relevant conditions which could have impact on and explain the effectiveness of EU political conditionality under the ENP. The scientific relevance of current study is to add to the already existing scientific findings on ENP's effectiveness.

I found it interesting to examine which conditions have impact on EU political conditionality's effectiveness and could explain varying outcomes of different Neighbouring countries. The thesis therefore addresses following central research question: ***What are the conditions that could explain varying outcomes and to what extent do these conditions have impact on EU political conditionality's effectiveness under the European Neighbourhood Policy?*** In order to examine this central question the following sub-questions are developed: (1) *Does EU political conditionality work and which conditions have impact on its effectiveness?* (2) *Did political reforms occur after the ENP Action Plan was adopted?* (3) *How did the studied ENP countries experience the implementation (compliance) of the EU and international values, norms and standards (liberal actions) listed in the Action Plan?* (4) *What are the driving conditions that had impact on and could explain the implementation process and progress of the studied countries?*

The theoretical framework of present study discusses the concept of political conditionality and the conditions that have impact on its effectiveness. Schimmelfennig (et al. 2003) examined in one of his studies the effectiveness of 'democratic conditionality' under the accession process in three candidate countries. He used conditions of two EU external governance models to test whether these conditions explain the outcomes. These models are opposed in the literature on the effectiveness of EU political conditionality under the EU accession process and they form the theoretical framework of current investigation. The first model, the *external incentives model* is a rationalist bargaining model and presupposes the importance of 'credibility of incentives' and 'political costs of adoption' for conditionality to be effective. The second model, the *social learning model* follows core tenets of social constructivism, namely 'commitment to Europe', 'societal salience' and 'economic interdependence', which are assumed to be important for the process of EU rule transfer and adoption. These competing models presuppose different kind of conditions that could explain the implementation process and the varying outcomes. Based on these models five hypotheses – adopted from Schimmelfennings' study on the effectiveness of democratic conditionality in candidate countries – are put forward to examine the varying effectiveness of EU political conditionality in the studied ENP countries. The relevance of the conditions for the increased effectiveness of EU political conditionality resulting in compliance of EU liberal actions listed in the AP are presupposed in two test hypotheses and three alternative hypotheses. The external incentives model assumes that conditionality will be most effective if credibility of EU accession is high and domestic adoption costs are low:

(T1) The higher the credibility of EU accession of the target government, the more likely political conditionality will be effective.

(T2) The lower the domestic adoption costs for the target government, the more likely political conditionality will be effective.

The social learning model is used as alternative model and assumes that conditionality is most effective if commitment to Europe is strong and societal salience and economic interdependence is high:

(A1) The stronger the commitment of the target government to Europe, the more likely conditionality will be effective.

(A2) The higher the societal salience, the more likely conditionality will be effective.

(A3) The higher the economic interdependence between the target government and the EU, the more likely conditionality will be effective.

The research process of present study combines the analysis of a large sample of ENP countries with an in-depth investigation of two ENP countries to a comparative research. The general overview on the political reforms of a large sample of ENP countries (large-N), which adopted the ENP Action Plan, is analyzed with the use of the Freedom House Index. These analyses are used to determine the selection of the countries studied regarding varying outcomes and as a fundament to build further analysis on the varying outcomes of the selected cases. The selection of the studied countries is next to the variation towards outcomes based on the following criteria: adoption of AP in 2005, hard cases, (has or had) EU accession aspirations, representative for a part of the ENP participants, and strong variation towards the conditions. The selection is extensively discussed in paragraph 3.2. In order to understand why the varying outcomes occurred the selected countries are studied in the same way as Schimmelfennig et al. (2003) studied three candidate countries. The case study analysis first begins with listing the main conflicts with the EU liberal norms, such as corruption. This is followed by a description of the instruments of the conditionality applied by the Union. Finally, the conditions are valued and the process and progress of the implementation (degree of compliance) of the EU liberal values, norms and standards listed in the AP are discussed. Country Report, Action Plan and Progress Reports of Morocco and Ukraine are used as data. The analyses of the studied countries are used to test the hypotheses. The hypotheses assume that different values of the conditions (independent variables) have impact on EU political conditionality's effectiveness and explain varying outcomes. The selected countries differ in terms of aspirations, political and economic situation and this makes the effect of the variables on compliance of AP observable. To analyze these differences and test the hypotheses the method 'fuzzy-set Qualitative Comparative Analysis' (fs/QCA) developed by Charles Ragin (1987) is used. The fs/QCA involves a number of steps, and these are discussed further in paragraph 3.1.

The following chapter presents the theoretical framework on EU political conditionality, its effectiveness and the hypotheses that are tested in current study. The first paragraph describes the conceptualization of political conditionality and the second paragraph discusses that of the concepts related to political conditionality, namely democracy, good governance and human rights. In the third paragraph the effectiveness of EU political conditionality is discussed, and the external incentives and social learning models and the hypotheses, put forward from these models, are presented. The third chapter discusses the methodological framework. The method and data, the case selection and the operationalization of the dependent variable (degree of compliance) and independent variables (conditions) are discussed in this chapter. The fourth chapter first presents a general overview on political reforms, which occurred after adopting AP, of a large sample of ENP participants with the use of the Freedom House Index, then the analysis on the implementation process and progress of EU political conditionality in Morocco and Ukraine are discussed, finally this chapter ends with fuzzy-set Qualitative Comparative Analysis to compare the studied countries and discusses the relevance of the conditions. The last chapter is the conclusion and it presents the findings and answers the research question.

CHAPTER 2 THEORETICAL FRAMEWORK

This chapter presents the concept of political conditionality and other concepts and models which are related to conditionality. The theoretical framework helps to understand and explain the empirical findings of current study. Paragraph 2.1 describes the concept of conditionality its origin and characteristics. The concepts democracy, good governance and human rights are the objectives of political conditionality and are discussed in paragraph 2.2. EU political conditionality's effectiveness and limitations, and two EU external governance models which explain conditionality's process and effectiveness are described in paragraph 2.3. These two models are the external incentives model and the social learning model, and they present a number of conditions that have impact on EU political conditionality's effectiveness and could explain various outcomes in different ENP countries. The hypotheses that are used to analyze and examine political conditionality under the ENP are put forward from these models and are also presented in the third paragraph of this chapter. The chapter ends with a conclusion (paragraph 2.4) on the theoretical framework of present study. As the study is about cooperation settled between a government state and an international institution, where both the political actors act on the basis of embodied moral values as well as from their own (rational) self-interest, the concepts and models in this theoretical chapter are explained from an International Relations theory perspective. From this perspective, it is better understood how these concepts and models work.

2.1 Political Conditionality

Conditionality is a complex phenomenon and a narrow definition would do this concept short. However, this paragraph does not summarize the voluminous literature on conditionality instead the goals of this paragraph are to give a few definitions on conditionality and discuss its characteristics and types from an EU perspective, but first a brief overview on the concept's origin. Conditionality is emanated from the Bretton Woods Institutions¹ and has been applied in 1952 (Eckaus 1986: 242). The entrance of conditionality caused dramatic changes in the international relations. It made it for donor governments and international organizations (IO) possible to use conditionality arrangements as an instrument to promote and protect its (self-)interests (Stokke 1995; Sørensen 1995). If a target government supports these interests and meets certain conditions or implements certain policies the donor provides specified amounts of (financial or technical) assistance. The number of conditions has increased and the types of conditions have evolved over the years. Conditionality first aimed at a reform of economic policy in the recipient countries, and then evolved from *economic conditionality* to *political conditionality*. The objectives of the economic conditionality were related to structural adjustments such as administrative reforms, budget balance and market liberalization (Stokke, 1995: 1), this period is referred to as the *first generation* of conditionality. The political conditionality encompasses political reforms such as the promotion of democratic reforms, human rights and administrative accountability (ibid). This *second generation* of conditionality combines economic and political reforms and has become a general feature of EU external relations.

The concept of conditionality entails the use of certain conditions by a state or IO in international relations, which have to be fulfilled by the target government in order to receive the reward(s) promised by the state or IO. The conditions are not only attached to financial aid, but also to membership of an international institution, like it is the case with the European Union (EU) that employs conditionality with respect to EU enlargement. According to Schimmelfennig and Sedelmeier (2005), EU conditionality mainly follows "a strategy of reactive reinforcement or reinforcement by reward". Candidate countries have to meet the Copenhagen criteria and adopt the *acquis communautaire* if they want to enter the Union. So a candidate country has to adopt EU conditions, which reshapes the domestic structures and policy processes of the target country, in order to receive its reward, and if it fails the Union withholds the reward (carrot) or in some cases could give a sanction/punishment (stick). Hughes et al. (2004) define conditionality as an interaction between multi-level actors that have their own perceptions and interests, and within this interaction different

¹ Bretton Woods Institutions are the International Monetary Fund (IMF) and World Bank.

rewards and sanctions can be given when target government comply or fails to comply the conditions settled by the donor. The key characteristic of the concept of conditionality is that it operates in an environment of power asymmetry (ibid: 14) between on the one hand the 'dominant actor' who sets up the conditions, observes whether the target government complied them and grants the government if so or withholds the reward if it failed to comply, and on the other hand the 'subordinate actor' who has to fulfill the conditions in order to get the reward.

Conditionality as a concept can be distinguished in different types. A distinction can be made between *ex ante* and *ex post* conditionality approach. *Ex ante* refers to a situation where a recipient government will not enter into a given (contractual) relationship and will not get aid from the donor government or international organization if it does not meet certain conditions with regard to human rights and democracy (Stokke 1995; Fierro 2003). The EU enlargement process exemplifies this type of conditionality. A non-EU member state needs to meet the Copenhagen criteria, which means that the government is taking reforms or is showing commitment to undertake reforms, before it can get invited by the Union for negotiations and thus become officially a candidate for EU accession. The *ex post* conditionality, in contrary, implies that first a relationship is being concluded between the two parties before the conditions appear, but both parties explicitly understand that aid will at a future point in time only continue if the recipient government meets the conditions assessed by the donor (Stokke 1995; Fierro 2003). *Ex post* is often being used in the inclusion of human rights clauses in the body of agreements and unilateral regulations (2003: 98). An example for this type of conditionality is the human rights clause in EU Association Agreements. The *ex post* approach is being criticized by Selverivik (1997) who argues that this approach is a contradiction in itself as conditions, by definition, can only be imposed in advance (cit. fr. Fierro 2003: 98). Specification of conditions beforehand, *ex ante* conditionality, can on the one hand reduce flexibility and the scope of political maneuvering, but on the other hand it can increase the cooperative relationship risks. With regard to the timing of these two approaches, *ex ante* has a short-term character as it expires once the conditions are fulfilled, while *ex post* can remain operational throughout the lifetime of a given agreement (ibid: 221). Both approaches reflect the ENP as commitment to democracy and human rights is first a pre-condition for participation in the ENP (Maier and Schimmelfennig 2007), and secondly it forms ENP's conditions (AP) for a deeper (contractual) relationship which remains throughout the lifetime of the agreement.

A second distinction can be made between *positive* and *negative* conditionality, also referred to as *carrot* and *stick*. Positive conditionality has an *ex ante* nature and can be defined as promising a benefit to a state if it fulfills the conditions (Smith 1997: 4). Negative conditionality on the other hand involves the infliction of a punishment, such as reducing, suspending or terminating those benefits if the state in question violets the conditions (Smith 1997; Fierro 2003). Positive and negative conditionality are both being applied by the Union. The Copenhagen criteria were first applied in a more positive than negative sense, and then in the late 1990s the conditions became more formalized and applied in a more negative fashion (Trebilock and Daniels 2008: 345). The Union refused negotiations with countries that fail to meet the criteria. However, the use of carrot rather than sticks has been a growing trend in the EU's external relations (Veebel 2009: 228). The ENP is explicitly based on the principle of positive conditionality in relation to promoting democracy, good governance and human rights (Balfour and Missiroli 2007: 19). A softer approach seems for several of reasons to be preferable. One of the reasons is that it motivates the long term aim of having prosperity, stability and security beyond the imposers' borders (2009: 210). Another reason is that positive conditionality challenges less the sovereignty than punishment (sanctions) does, and donors are therefore less likely to be inconsistent in applying positive measures than negative ones (1997: 14). Negative conditionality on the other hand is for several of reasons controversial. Harsh measures do not address the causes of violations of human rights and could even worsen the situation in a country. The assumption is that governments can and are able to respond to outside pressure, but they may not always be able to. By enforcing sanctions the population can get hurt or cause it to rally to the government's support (ibid: 17). Especially for poor countries the situation can worsen when negative measures are being applied. Negative conditionality therefore brings doubts in whether it is effective in promoting democracy, good governance and human rights. This is also being recognized by the Union for the ENP as this policy is not a strategy for dealing with recalcitrant countries and thus a positive approach towards ENP participants would help to overcome stalemates which resulted from previous policies (2007: 21).

The objectives of political conditionality vary from the level of political intervention, and some relate to the development agenda whereas others relate to the donors' interests (1995: 15). Promoting democracy, good governance and human rights are the main objectives of EU political conditionality and form the basis of the ENP framework. These objectives are conceptualized in the following paragraph.

2.2 Democracy, Good Governance and Human Rights

Since the end of the cold war, the interest among western liberal democracies and international organizations in promoting *democracy* and *human rights* and strengthening for *good governance* – as objectives of foreign aid policies and conditions for development co-operation – made a dramatic increase (Stokke 1995; Burnell 2000; Santiso 2001a; Schimmelfennig 2005b). These three agendas have a prominent position in EU's foreign policy objectives, and are like Burnell states "the global gold standards" for states. Like mentioned in the previous paragraph, democratic principles and human rights are pre-conditions in the EU enlargement process and in the ENP. The EU uses political conditionality as main instrument to promote democratic principles, good governance and human rights, and with direct democracy assistance the EU complements political conditionality as a secondary instrument (Maier and Schimmelfennig 2007: 40). All the ENP countries already have been subject to political conditionality in their previous institutional arrangements with the Union, but the actions with regard to democracy, good governance and human rights listed in the first section of the ENP Action Plans are much more detailed and concrete than the previous documents. In current study these actions are used as cases to examine the effectiveness of EU political conditionality under ENP and to test the hypotheses. These global gold standards are therefore conceptualized in this paragraph to understand better what they mean and whether problems could occur in meeting them.

Democracy, good governance and human rights are quite complex to define, because these terms leave space for interpretation. Especially on the terminology and conception of democracy and good governance there is a lack of consensus (Sørensen 1995; Diamond 1999; Smith 2008) unlike human rights these concepts are not codified in international agreements and this makes EU policy difficult to legitimize with reference to international standards (2008: 155). The Commission prefers the term 'democratic principles' rather than 'democracy' as this first term leaves each country and society free to choose and develop its own model while recognizing these principles (ibid). Democratic principles were summarized as the right to choose and change leaders in free and fair elections; separation of legislative, executives and judicial powers; and guarantees of freedom of expression, information, association and political organizations (p. 154). This definition conforms to the most influential and mainstream definition on democracy of Robert Dahl². Democracy does not have a universal and uniform model that can be imposed on a certain state – that was also the reason why the Commission prefers the term democratic principles – and therefore promoting democracy in non-democratic and semi-democratic regimes is a long-term process. Democratization from the West is not always being welcomed by non-democratic regimes and could even strengthen the influence of anti-Western movement. There are cases that show that during a democratic transition, authoritarian ideologies that supported this transition lost their legitimacy, while nationalism – with often an anti-Western strain – filled the breach (Youngs 2001: 11). Also the period immediately after a democratic transition usually was violent and destabilizing as newly enfranchised electorates quickly became frustrated with the new system's seeming unable to solve pressing problems (ibid.: 11-12). In sum, core principles of democracy cannot just be installed overnight (Sørensen 1993: 20) because it depends on the society and on states' political structure how fast democratic process develops.

The concept of good governance is even less of an international standard as it has been interpreted narrowly by some and broadly by others, and its variety of definitions is mostly open-endedness, vague and having a lack of specificity. Good governance was addressed first by the World

² Dahl formulates a number of institutions that comprise the minimum requirements for large-scale democracy, namely: elected officials, which are elected by citizens, have the constitutional right to control government decisions about policy; free, fair and frequent elections are held under limited government coercion; citizens have the right to express themselves without danger to their personal freedom or security; citizens have legal access to independent and nongovernmental sources of information, thus also sources that oppose the government; citizens have the right to form independent associations, organizations, interest groups and political parties; and these five political institutions, including other rights like the right to vote and to run for public office, are upheld for all adult law-abiding citizens (Dahl 1998: 84-86).

Bank in 1989³. According to the World Bank, the concept is a synonym for a solid and responsible development management (Stokke 1995: 26) and it is “epitomized by predictable, open, and enlightened policymaking (that is, transparent processes); a bureaucracy imbued with a profession ethos; an executive arm of government accountable for its actions; and a strong civil society participating in public affairs; and all behaving under the rule of law” (World Bank, 1994: vii). The Bank’s definition is narrow and given from a public administration perspective as the aspects belonging to the political arena are left out. Union’s definition is broader as it stresses that institutions, procedures and attitudes inside and outside the government have to promote transparency and accountability (2008: 155). The main obstacle to good governance is corruption and in order to fight this transparency, an independent and accessible judicial system, and public participation is required (ibid.). The external initiatives and involvements in inducing good governance in developing countries constitutes a novelty in the relation between two countries or a country and an IO, because state formation came under external supervision. But even if recipient countries are economic and political dependent on the donor this does not have to lead to state formation (Doornbos, 1995: 385), since the effects might well be contrary to the intended ones (Stokke, 1995: 28) especially when most of the donors require performance and good governance as a prerequisite from a target government (Nanda 2006: 270) before getting technical and/or financial assistance. This shift in donor’s focus seems not to be showing enough sensitivity to the issues target states are dealing with, and donors may not be able to succeed in achieving the results it seeks. For governance reforms to succeed domestic support, meaningful ownership, and commitment by the recipient countries are crucial, while on the other hand the recipient cultural and historical context has to be understood by the donor (ibid: 281).

EU’s definition on human rights, the third objective of political conditionality, stems directly from international standards (2008: 124) which provides EU’s human rights policy with some legitimacy. Human rights were adopted by the United Nations General Assembly in 1948 and these rights are later being ratified in a series of international charters and agreements. These key documents define human rights over a broad spectrum and include the most fundamental rights, namely the right to life, freedom from torture, arbitrary arrest and imprisonment, civil and political rights such as freedom of movement, expression, assembly and religion, and economic and social rights (Stokke, 1995: 28). These rights are universally accepted but not ratified in full nor are they implemented by all the governments. It was by the mid-1970s that several donor governments started to set respect for human rights as a condition for bilateral aid. Human rights process, particularly political and civil rights, was being considered to be exclusively an internal business, but with the second generation of conditionality it became, from a donor perspective, legitimate to interfere in this process (ibid: 29). The main responsibility for implementing human rights is vested at the national level, however, Waller (1993) argues that political reforms that run counter to interest of elites can be pushed through only by external intervention (fr. Stokke 1995: 30). Improvement of human rights has therefore been set by several of donors as an explicit aid objective. The emphasis of donors varies as there are donors who focus on social rights while other donors – especially Western donors – emphasis to civil and political rights. Anyhow the legitimacy for intervention is being threatened by a glaring absence of policy coherence (1995: 30-31). It seems that particularly when competing interest have been involved that policy declaration have not always been followed-up. The historic record that donors have in the area of human rights, in their own country or with the country in relation, increases this legitimacy problem. It weakens the position of the donor to promote and engage in the human rights drive.

The use of political conditionality is argued to be useful in encouraging countries to improve human rights records, but towards democracy and good governance reforms observers are divided. Some observers argue that conditionality is an important tool, while others don’t see it as well suited as democratization overwhelmingly depends on local conditions and cannot be imposed by outsiders (Smith 2008: 156). The lack of international standards do not give the promotion of democratic principles and good governance much solid ground to push other countries to implement reforms with regard to these core liberal values (ibid: 168). To promote these concepts the Union prefers a positive

³ In 1989 the World Bank presented a rapport which blamed a ‘crises of governance’, particularly in a large part in Africa, for limited success of structural adjustment programs (Stokke 1995; Doornbos 2001; Santiso 2001b; Curtin & Wessel 2005; Nanda 2006). Development aid could only provide results in the recipient countries if their governing system would undertake reforms (1995: 26-27). The quality of country’s governance system is, like Santiso states, a key determinant of the ability to pursue sustainable economic and social development (2001: 5).

approach based on incentives and dialogue, especially credibility of membership promise seems to be crucial to help to influence the process of political reforms, the Turkish case exemplifies this. The more membership promise became concrete the more EU was able to influence the process of political reforms in Turkey, but when EU actors started questioning whether Turkey should be allowed to join the Union the reform process was affected negatively (p. 157). However, Maier and Schimmelfennig (2007) state that credibility of membership perspective has been a necessary but not a sufficient condition as high domestic political costs of adoption to EU liberal values and norms also could block compliance. The following paragraph discusses these and other conditions that could have impact on the effectiveness of EU political conditionality and it presents the hypotheses which are put forward from two EU external governance models.

2.3 Does EU Political Conditionality Work?

The use of political conditionality by the Union has increased remarkably and with it the studies discussing its impact on a variety of countries, institutional settings and policy areas. The previous paragraph mentioned that EU political conditionality might work better for some of its objectives than for others as several of factors could have an impact on concept's effectiveness in producing the intended results. This paragraph aims to address whether EU political conditionality works and which conditions have an impact on its effectiveness. Schimmelfennig et al.'s framework is used to put forward the conditions and the hypotheses that are tested in current study, but first a general overview on the studies questioning the effectiveness in the Central and Eastern European (CEE) pre-accession process and the prospects for the ENP.

The studies on CEE accession (Moravcsik and Vachudova 2003; Kubicek 2003a; Schimmelfennig et al. 2003; Kelly 2004; Schimmelfennig and Sedelmeier 2004, 2005; Schimmelfennig 2004, 2005b; Schimmelfennig and Schweltnus 2006) underline that the success of the eastward enlargement in promoting EU liberal core values was mainly the result of the strong incentives offered by the Union. Moravcsik and Vachudova (2003: 44) explain the working of membership conditionality by referring to Keohane and Ney's (1977) 'asymmetric interdependence' concept. The applicant countries that gain the most by engaging in an intense interstate cooperation accept the costs of adoption as they see them as lower than the costs of when they would stay excluded from the Union and its benefits. In other words, interdependent countries that tend to benefit more when they would join the Union are willing to make concessions to do so. Kubicek's (2003a: 17-20) framework takes a step further as it states that not only the carrot (strong incentives) but also the sticks must be real. The target governments need to know that if the desired reforms are not adopted that rewards will be withheld or punishments will be meted out. However, in practice the EU has shown to be reluctant to employ sanctions against violators (ibid: 18) and especially when target states can turn for help and support to other states EU influence becomes weaker. Conditionality is, according to Kubicek next to carrot and sticks, more likely to work if target state is economically and politically dependent on the Union and the influence of other political actors is limited, and when allies (governmental and non-governmental actors) are found in the target state who can apply pressure to existing authorities. This last condition could only have an effect on compliance if these allies would have enough power to pressure the authorities. Kubicek finally mentions a situation which could occur and cause problems for conditionality to actually work effectively, namely democracies that fall in a 'gray zone'. These hybrid regimes fall in between consolidated democracy and open authoritarianism and pose a problem to complete the notion of democracy as they confuse policy by embracing democratic norms on the one hand, and stating that special circumstances limit the applicability of some democratic principles (such as minority rights) to their country on the other hand (ibid: 19, 20), and through this way they escape sanction and could win benefits.

The instrumental framework of the ENP is a copy of the pre-accession key elements and it was expected by the Commission to work as productively as it did in the pre-accession. Studies on ENP's effectiveness (Smith 2005; Kharaman 2005; Schimmelfennig 2005b; Dannreuther 2006; Kelley 2006; Lippert 2007; Kochenov 2008) predict that the ENP will be unable to interest the participants and generate domestic reforms given the fact that EU offers weak incentives for the same pre-accession criteria. Kochenov (2008: 8) argues that the pre-accession had problems in the EU political

conditionality's functioning⁴ and that these problems were also inherited in the ENP context. The problems ENP is dealing with are related to unclear formulation of what is expected from the partners, how progress will be judged and what the time-frame for compliance is (Smith 2005: 764-765; Kochenov 2008: 9). The pre-accession managed even with these problems to be successful as, unlike the ENP participants, the candidate countries were destined to join the Union. Thus, even if these problems were corrected the lack of offering strong rewards makes it unlikely for conditionality to be applied successfully (2008: 8) under the ENP. The EU previously made attempt to offer neighbouring countries some kind of association agreement⁵ without offering them actual membership. These agreements were in some cases unsuccessful as partner countries were not satisfied with the policy of "all but institutions" (Smith 2005: 761). The studies also carry out other factors that could have impact and explain the effect of EU political conditionality in producing the intended results under the ENP. First, the ENP is directed at a heterogeneous group of countries in the eastern and southern neighbourhood of the EU. These two groups have different agendas; the East European agenda covers the potential to join the Union whereas the Mediterranean agenda is targeted at keeping the internal balance of European integration (Lippert 2007: 189). By putting these two different agendas in the same strategic basket the Union neglects the interests and perspectives of the neighbouring countries, and therefore the ENP loses its attractiveness. Next to this, the ENP suffers from inter-institutional rivalry and inability to deliver on the promises given to the partners due to specific sensitivities of the member states (2008: 9) this is caused by a lack of a broad agreement among all the involved EU actors regarding what ENP's concrete goals are and what the precise roles are for all the actors involved. Finally, the studies argue that an eventual success of compliance also depends on domestic challenges such as ENP participants' attitudes (Kahraman 2005: 27) and its type of regime (Schimmelfennig 2005b; Lippert). The ENP countries vary in terms of their identification to Europe and its commitment in practice towards principles of democracy, good governance and human rights. If both identification and commitment are present the chances for compliance becomes higher. Yet with low incentives it is highly debatable whether compliance would take place. The type of regime is argued by Schimmelfennig (2005a) to be crucial for conditionality to work. Political conditionality may be used to all kinds of regimes, however in practice it will not function like that. For (post)authoritarian or autocratic regimes, compliance with EU liberal values and norms would result in polity reforms. These reforms limit the autonomy and power of governments, change the power relations between government actors, and also affect the composition of citizenship (ibid: 9). These changes are for the target government hard to cope with, because it could worsen the social power base of the government and threaten the security, integrity and stability of the state (ibid: 9, 10). In such cases domestic political costs of compliance are high – especially when weak incentives are offered – and target governments would therefore fail to comply. The Union can decide to pressure the government by threaten it with exclusion. How the target government would react on this external pressure depends on the extent the government country is aid-dependent on the EU. According to Hawkins (1997), authoritarian leaders would only comply with international norms when regimes are allowed "to shore up its authority and legitimacy and to deflect international pressure" (cit. fr. Kelly 2004: 432). Regime changes could still occur in authoritarian regimes where societal dissatisfaction occurs, like it was the case in Central and Eastern Europe, namely through elections. These events can sometimes give citizens the chance to change their regime by voting on those parties that are for political reforms, and therefore give conditionality the opportunity to work effectively under another government. But even with another more (semi)democratic government there are obstacles that make it for the Union difficult to promote political reforms in the target countries; Georgia's and Ukraine's 'Rainbow Revolution' exemplifies this. The regime of both the ENP countries changed and the new governments expected prospect of EU membership or an even more extensive ENP Action Plan than the one negotiated by the previous government (Smith 2008: 157). Both the offers were not made by the Union because it became careful about what it offers.

⁴ See Kochenov (2008) pp. 5-8, for the six main deficiencies of pre-accession application of conditionality in the fields of democracy and the rule of law.

⁵ European Economic Area agreement with among others Austria, Finland and Sweden (1989), and the special 'Europe' association agreements (1990) to Central and East European countries (Smith 2005: 761).

Schimmelfennig and Sedelmeier (2004) propose a number of conditions in the models of EU external governance explaining the effectiveness of EU political conditionality. These conditions overlap most of the conditions mentioned above. Two of the three models are discussed in the following two subparagraphs, of which one model suggests that compliance depends on rationalist conditions while the other model assumes that tenets of social constructivism are crucial for conditionality to work effectively.

2.3.1 External Incentives Model and Test Hypotheses

The external incentives model is a rationalist bargaining model that assumes that the actors involved in a certain international cooperation are only interested in maximizing their power and welfare. This model assumes that the external governance mainly follows a strategy of conditionality, which means that EU sets conditions that target governments – in this case the ENP countries – have to fulfill in order to receive EU rewards, and when it fails to comply the EU withholds the reward. The bargaining process starting point is a domestic status quo, which reflects the current distribution of preferences and bargaining power in domestic society, but this status quo differs to some extent from an EU rule (Schimmelfennig and Sedelmeier 2004: 672). By introducing EU political conditionality the domestic equilibrium gets upset, with other words the domestic opportunity structure in favour of a domestic actor changes. In order for a target government to maximize its own political benefits it should try to balance the pressures of EU and of domestic and other international actors. Under this strategy of reinforcement by reward the following general proposition of the external incentives model can be stated: “A state adopts EU rules if the benefits of EU rewards exceed the domestic adoption costs” (ibid). This ‘cost-benefit balance’ depends on a number of factors: determinacy of conditions, the size and speed of rewards, credibility of threats and promises, and size of adoption costs (Schimmelfennig and Sedelmeier 2004, 2005).

Clarity and formality of a rule are two factors that determine the determinacy. “The clearer the behavioral implications of a rule and the more “legalized” and binding its status, the higher its determinacy” (Schimmelfennig and Sedelmeier 2005: 12). The determinacy of conditions gives the target government information on what they have to do in order to get the reward(s), and it gives the target country a signal that the rule cannot be manipulated to its own advantage. According to the size and speed of rewards, second factor, the incentive to comply becomes lower when the promise of enlargement is weak and the distance to the payment of the reward(s) is longer. The third factor, credibility of conditionality refers both to EU’s treat to withhold the reward if the target country fails to comply, and to EU’s promise to reward the government country if it succeeds to comply (ibid: 14). Credibility depends on four conditions (ibid: 14-16). The first condition is that when benefits of rewarding or costs of withholding the reward decreases, the credibility of threats increases and the credibility of promises decreases. Consistency of and consensus about the conditionality policy is the second condition, and it increases the degree of credibility. The third condition cross-conditionality, which has to be absent or minor in order for EU conditionality to work, decreases the credibility. But the credibility can increase if other international actors offer the target government benefits in return for the same conditions or when they make their rewards conditional upon prior fulfillment of EU conditions. The last condition is asymmetries in information and when it is in favor of the target government it decreases the credibility of conditionality. Schimmelfennig et al. (2003) found in their empirical analysis that credibility of conditionality and the size of adoption costs are the key variables influencing compliance and they therefore point these conditions out as the key determinants of conditionality. Therefore I only use these two conditions from the external incentives model to examine the effectiveness of EU political conditionality.

EU accession has been Union’s most successful foreign policy instrument in the last decade. The ENP does not offer membership perspective as reward, anyhow according to article 49 of the EU Treaty the former Soviet republics are not ruled out from a possible EU accession in the (short-term) future. The East European and most of the South Caucasus countries are former Soviet republics and most of them want to join the EU club, for these countries there is a likelihood that accession could be granted in the future. The countries in the Middle East and North Africa are ruled out from an eventual membership in the future. Based on these reasoning the first test hypothesis postulates that the

effectiveness of EU political conditionality under the ENP depends on the degree of the *credibility of EU accession*.

➤ **Hypothesis 1:** *The higher the credibility of EU accession of the target government, the more likely EU political conditionality will be effective.*

The last factor of cost-benefit balance is the size of adoption costs. The size of domestic adoption costs determine whether target governments would accept or reject the conditions. The external incentives model assumes that adoption is always costly or otherwise political reforms would have taken place in the absence of EU political conditionality (2004: 674). Adoption costs can take “the form of opportunity costs of forgoing alternative rewards offered by adopting rules other than EU rules”, and these costs may produce “welfare or power costs for private and public actors” (ibid). These costs will always occur, but the benefits of EU reward could balance these costs. Not only the reward but also the type of regime is crucial for the degree of domestic adoption costs. For (post)authoritarian or autocratic regimes political and polity reforms would limit the autonomy and power of governments, change the power relations between government actors, and also affect the composition of citizenship (Schimmelfennig 2005: 9). These reforms might then worsen the social power base of the government and threaten the security, integrity and stability of the state. In such cases domestic adoption costs are high and it is expected that target governments would therefore fail to comply. The *domestic adoption cost* is the second condition that could have an impact on and explain EU political conditionality’s effectiveness.

➤ **Hypothesis 2:** *The lower the domestic adoption costs for the target government, the more likely EU political conditionality will be effective.*

In short, the external incentives model, which is used as test model to examine political conditionality’s effectiveness, assumes that conditionality will be most effective if credibility of EU accession is high and domestic adoption costs are low. The last subparagraph of this paragraph presents the social learning model and the alternative hypotheses.

2.3.2 Social Learning Model and Alternative Hypotheses

The social learning model is used as an alternative to external incentives model and the factors that fall under this model are used to explain the varying outcomes EU political conditionality may have in the different ENP countries. The social learning model follows core tenets of social constructivism and assumes that logic of appropriateness affect conditionality (Schimmelfennig and Sedelmeier 2004: 675). The actors involved are according to this logic motivated by internalized identities, values and norms, and these factors are important for the process of EU rule transfer and adoption. The Union is in this perspective an international institution that can be defined by a specific collective identity and a set of common values and norms. A target government adopts ENP conditions if government is persuaded of the appropriateness of EU rules and its demands for rule adoption is in the light of these common identities, values and norms (ibid: 675-6).

The *commitment to Europe* is one of intergovernmental social influence mechanisms (Schimmelfennig et al. 2003) and it influences government’s behavior. Those target governments that regard the Union as their aspiration group will strive to be part of this EU club and thus adopt ENP liberal actions. The former Soviet republics identify themselves with the EU and want to become part of the Union, in contrary to most of the Middle East and North African countries. Conditionality is likely to be effective in those countries that have a strong identification with Europe, because these countries are more committed to EU values and norms, and they strive to be recognized as part of the ‘European family of democratic nations’ and find it painful to be shamed and shunned by the Union (ibid: 498).

➤ **Alternative hypothesis 1:** *The stronger the commitment of the target government to Europe, the more likely EU political conditionality will be effective.*

Schimmelfennig et al. (2003) point to the relevance of one major condition of social influence, namely *societal salience*. This second independent control variable refers to the degree to which society of target government defines itself as ‘European’ or ‘western’ and how it values liberal political principles (ibid: 500). When a target government wants to align its policy with the liberal norms, the national government could come under pressure if societal opposition is strong. From some ENP countries this could be expected. Most of the ENP countries are or were under a non-democratic

regime and even if governments would want to adopt EU liberal norms there could be some opposition from (important actors in) the society.

➤ **Alternative hypothesis 2:** *The higher the societal salience, the more likely EU political conditionality will be effective.*

Finally, the last control variable and alternative hypothesis comes forward from the material bargaining mechanism. The *economic interdependence* is based on the assumption that opportunity costs of non-accession will mobilize societal actors in favour of EU conditions (pp. 501). Societal mobilization is expected to be high in those countries with a high degree of economic interdependence with the EU. A number of ENP countries have tightened their economic relation with EU, but also have a strong relation with other states (such as with Russia and USA).

➤ **Alternative hypothesis 3:** *The higher the economic interdependence between the target government and the EU, the more likely EU political conditionality will be effective.*

In sum, the social learning model will be used as alternative model to examine political conditionality's effectiveness. This model assumes that conditionality will be most effective if commitment to Europe is strong and societal salience and economic interdependence is high. The following paragraph gives a conclusion on this chapter and answers the first sub-question of current study.

2.4 Conclusion: EU Political Conditionality's Conditions and Potential

EU political conditionality is one of the mechanisms used by the EU to interfere in the domestic policy and to influence the behavior of states outside the Union. Scholars predict that ENP would not follow the footsteps of the pre-accession success as the EU does not offer the same strong incentives, namely the golden carrot of EU membership. Membership conditionality seems to be the most important motivation for reforms (Kelly 2004: 450). Not offering a real and strong reward might give the target governments the feeling that their interests are being neglected by the Union. The attractiveness of the ENP especially decreases for participants that expect more from the ENP. This could be disadvantageously for conditionality to work effectively in promoting the principles of democracy, good governance and human rights. Next to this, political conditionality as a tool might work better for some of these EU foreign political objectives than for others. Democracy and good governance are, unlike human rights, hard to achieve as they are not universally settled and require changes in state's structure, institutions and power. This chapter also mentions other factors that could contribute to the failure or success of EU political conditionality under the ENP, namely the formulation of conditions and benchmarks, ENP's strategic structure, and participants' (economic and political) interdependency, regime type and attitude towards the Union and EU liberal values and norms. Schimmelfennig and Sedelmeier's EU external governance models, on political conditionality's effectiveness, overlap most of these factors and are used as framework to explain the empirical findings of current study. The external incentives model assumes that conditionality will be most effective if credibility of EU accession is high and domestic adoption costs are low, while the social learning model assumes that conditionality will be most effective if commitment to Europe is strong and societal salience and economic interdependence is high. Schimmelfennig et al (2003: 514) state – from their study on the impact of EU democratic conditionality on Latvia, Slovakia and Turkey – that credible EU membership incentives have been necessary in the pre-accession, although it only shown to be sufficient if it was accompanied with low domestic adoption costs. Therefore these conditions are used as test variables and the other three conditions as control variables. Nevertheless, the factors which I have discussed in paragraph 2.3 are kept into account in the final conclusion. The following chapter presents the method and data, and discusses the case selection and the variables.

CHAPTER 3 RESEARCH METHODOLOGY

This chapter discusses the methodology which forms the bridge between theory and empirical analysis. The research process, methods and data are discussed extensively in the first paragraph. In the second paragraph the countries that are selected to study the effectiveness of EU political conditionality on are presented. The third paragraph discusses the operationalization of the dependent and independent variables of the research. Finally, this chapter ends with a conclusion on the methodological framework of present study.

3.1 Research Strategy: Method and Data

The main goals of this master thesis are exploring whether EU political conditionality is effective under the ENP, what the key conditions are that could explain the varying outcomes of different ENP countries and to what extent these conditions have impact on conditionality's effectiveness. The following sub-questions are used to achieve these goals and to conduct the analysis: (1) *Does EU political conditionality work and which conditions have impact on its effectiveness?* (2) *Did political reforms occur after the ENP Action Plan was adopted?* (3) *How did the studied ENP countries experience the implementation (compliance) of the EU and international values, norms and standards (liberal actions) listed in the Action Plan?* (4) *What are the driving conditions that had impact on and could explain the implementation process and progress of the studied countries?* The first sub-question is discussed in the previous chapter and its answer forms the theoretical framework of current study. The method and data which are used to answer the last three sub-questions connect this theoretical framework with the empirical analysis and is discussed in this paragraph.

The research process is based on the order of the last three sub-questions and consists of three research steps. In the first step the political reforms of a large sample of ENP countries (large-N), which adopted the ENP Action Plan, is analyzed with the use of the Freedom House Index. The Freedom House gives annually the rates of political rights (democracy) and civil liberties (human rights) of almost all the countries in the world. The rate of political rights is the average of rates of electoral process, political pluralism and participation and functioning of government. The civil liberties rate is the average of the rates of freedom of expression and belief, associational and organizational rights, rule of law, and personal autonomy and individual rights. According to Diamond (1996: 24), the ratings of the Freedom House are "the best available indicator[s] of 'liberal democracy'" and agree with EU's definition on democratic principles and human rights. Therefore the data is used to give us a rather good general picture regarding the correlation between EU political conditionality and political reforms with regard to democratic principles and human rights in the ENP countries. The ratings of a year before (2004) and of the years after the Action Plan (AP) was signed and entered into force (2005-2008) are used to measure this bivariate correlation. Because Algeria, Belarus, Libya and Syria do not have an AP yet and on Occupied Palestinian Territory (non sovereign state) there is no Freedom Index available, the data of these ENP countries are excluded. The ratings are for a longer time period useful indicators to measure domestic changes related to democracy and human rights, however they do not tell whether compliance resulted from the ENP or why conditionality is (in)effective. Therefore this general overviews' outcome is used as one of the criteria to determine the case selection – selecting a country where reforms occurred and one where it did not – and as a fundament to build further analysis on the varying outcomes of the selected cases.

The second step of the research is the case study, which combines a structural analysis of the theoretical derived conditions of the effectiveness of EU political conditionality with a process-tracing analysis of EU political conditionality and the responses of the studied countries, like Schimmelfennig et al. (2003) did in their study on the impact of EU democratic conditionality on Latvia, Slovakia and Turkey. First the main conflicts with the EU liberal values and norms, such as corruption and threats to human rights, are listed. Then the instruments of the conditionality that are applied by the Union are presented. This is followed by a valuing of the theoretical conditions. Finally the effectiveness, the process and progress of the implementation of the liberal actions, are discussed. Country Report, Action Plan and Progress Reports of each selected country are used as data. Country report describes the relation between EU and the ENP country, and reports about the economic, social and political situation of the country before the AP was adopted and is therefore useful to use as data for detecting

the conflicts. The AP lists the European and international values, norms, commitments and standards (actions) which are developed jointly by the EU and the target government. The partners' interests and priorities and EU's interests towards these countries vary strongly, and so do the content and the objectives of the individual APs. The progresses achieved by the ENP partner in implementing the actions are annually reported in the Progress Reports. The hypotheses – mentioned in the theoretical framework – assume that different values of the conditions (independent variables) explain the varying outcomes. The selected countries differ in terms of aspirations, political and economic situation and this makes the effect of the explanatory variables on political reforms (i.e. degree of compliance) observable.

In the final step of the research process, the analysis and results of the two studied countries are analyzed further as data to compare the findings of these countries and to test the hypotheses. The Qualitative Comparative Analysis (QCA) developed by Charles Ragin (1987) is used as method to compare the findings and to test the necessity and sufficiency of the theoretical conditions. This analytical strategy method provides tools to compare cases and elucidates their patterned similarities and differences. Identifying which combinations are crucial for distinguishing one outcome from another is the main goal of QCA (Soulliere 2005: 423). The QCA is suitable for analysis on a relatively small number of cases and uses Boolean algebra to multiply the comparisons that can be made across the selected cases, in terms of the presence/absence or high/low (1/0) of variables which are of analytical interest. As variables can only have two values under this method it could be problematic to determine the values of certain variables, such as those in current study. However, if values aren't dichotomous the fuzzy-set (fs/QCA) is an alternative as it works with values between 0 and 1 (quantitative) while retaining the two qualitative states of full non-membership and full membership (Ragin 2000: 6). The fuzzy-set makes it possible to operationalize varied interpretations of a concept (ibid: 9) and conducts a more fine-grained and information rich-analysis which make it possible to draw conclusions that are more nuanced (ibid.). Based on these arguments I have chosen to use the fuzzy-set, because the variables cannot be valued precisely and thus varying values are needed to code them.

The fs/QCA is technically speaking a combination of the original Boolean variant and fuzzy set theory (Schneider and Wagemann 2006: 755) and its application involves the same basic steps as the Boolean variant. The main differences are in the preliminary coding and in analyzing the necessity and sufficiency of conditions. The first step is the selection of the outcome(s) and causal conditions (Coverdill and Finlay 1995). The outcome in the current investigation is the dependent variable 'compliance of EU liberal actions listed in the AP'. The causal conditions are the following independent (test and control) variables: 'credibility of EU accession', 'domestic adoption costs', 'commitments to Europe', 'societal salience' and 'economic interdependence'. It has to be noted that these variables are not measured as variables but as sets (Ragin 2000: 167), for example the test variable domestic adoption costs is assessed as the degree of membership in the set of democracy. This is important as concepts central to social scientists' theories are often best understood as sets and not as variables (ibid). In the second step all the sets implicated in the analysis are preliminary coded (Ragin 1987). The fuzzy membership scores are assigned on the basis of theoretical knowledge and empirical evidence, and to construct a fuzzy-set it is necessary to pay careful attention to the meaning of the concepts and to the criteria used to establish qualitative breakpoints (2000: 153-170). The sets and their coding are discussed further in paragraph 3.3.

The third step of fs/QCA summarizes the pattern of outcomes associated with different configurations of causal conditions in a truth table (Soulliere 2005: 428). This is a data-matrix that lists the different combinations of causal conditions and the value of the outcome variable for the cases conforming to each combination (ibid.). The scores are when drawing a truth table recoded to 0s and 1s; the scores less than 0.5 are recoded as 0 and scores higher than 0.5 as 1. The combinations listed are then compared with each other and logically simplified through a bottom-up process of paired comparison. Simplification serves to mimic the experimental design by combining combinations that differ on only one causal condition but that produce the same outcome (Ragin 1989: 380). The bottom-up process of paired comparison and result is a logical equation (1987) listing all configurations (the different combinations of conditions) associated with a certain outcome. The equation allows testing of logically derived theories about the nature of the phenomenon under investigation (2005: 431).

Finally, the truth table is analyzed with procedures of combinatorial logic to arrive at a solution to specify which conditions are necessary otherwise the outcome will not happen, and which ones are sufficient meaning that the occurrence of a certain condition alone will produce the outcome in question (1987: 86-99). Of course the causal combination has to be followed by the outcome otherwise the test of sufficiency of the causal combination fails. But how do we observe that conditions are necessary and/or sufficient? When in all the cases fuzzy membership scores in the outcome are less than or equal to that of the causal condition, then this can be cited as evidence that the condition is necessary for the outcome (Koenig-Archibugi 2003). When in all the cases fuzzy membership scores in the cause or causal combination are less than or equal to fuzzy membership scores in the outcome, then it can be cited as evidence that the cause or causal combination is sufficient for the outcome (ibid.). Through the fs/QCA the necessary and sufficient conditions of the degree of compliance of the selected cases are detected and the hypotheses are tested.

However, the fs/QCA is when applying it to 'real' data like any other method not free from problems. These problems depend on the number of variables (causal conditions) and cases. First, the results can become overly complex if too many variables are introduced into a model. If one or more paths (combinations of all or just one or more conditions) lead to the outcome and capture only one or more cases, then this suggests that these cases are analytical different from the rest and this result may prove impossible to interpret in a theoretically meaningful way (2006: 761). Ragin (2000: 321) states that by using higher order concepts that incorporate several variables the number of causal conditions can be kept low and so the complexity. The second problem is limited diversity that occurs if the number of cases is low and therefore logically possible configurations of relevant conditions could not appear empirically (2006: 761-2). Especially when limited diversity is ignored assumptions about combinations of conditions that have not been examined can easily become embedded in empirical generalizations and this is a rule rather than an exception (2000: 86, 107).

In order to cope with limited diversity there is no straightforward solution, but Sneider and Wagemann (2006: 769) suggest a two-step fs/QCA analytic approach as a possibility to reduce this problem. Before going to the first step of this approach the conditions are divided into two groups the remote and proximate factors. The remote factors (also referred to as context) are stable over time and are assumed to have a causal impact, while proximate factors vary over time and are subject to changes introduced by actors (ibid: 765-6). This distinction of causal conditions reduces the number of logically possible combinations through a theoretically reasoning. In present study I already divided the conditions into the test variables on the one hand, which are stable over time and are according to Schimmelfennig et al. (2003) necessary and sufficient conditions for an effective EU political conditionality, and the control variables other hand, which values could change over time as they are the products of human actions. Thus, the test variables could be labeled as remote and the control variables as proximate factors. In the first step of the analytic approach only the remote conditional combinations are analyzed with fs/QCA and the second step aims to find combinations of proximate factors within the context that jointly lead to the outcome (2006: 767-9). Even by using this approach generalization have to be made carefully because limited diversity would still occur. The steps of fs/QCA are therefore more used as an analytical method next to the in-depth study, to analyze and compare the degree of the conditions and compliance of the studied countries.

In sum, the general overview on the political reforms in the European Neighbouring countries, the individual case studies and the fs/QCA are the methods used in present investigation to explain the varying outcomes and examine which conditions have impact on EU political conditionality's effectiveness.

3.2 Case Selection

This paragraph presents the selection of the studied ENP countries. Only a limited number of ENP countries are studied as it isn't possible to conduct analysis in a large number of countries in such a short research period by an individual researcher. The liberal actions listed in the APs of the studied countries, and which are divided into two subgroups 'Democracy and rule of law' and 'Human rights and fundamental freedoms', are being analyzed to examine the effectiveness of EU political conditionality. The differences between the countries should not be broadening too much in a small-N design, but it is important that the studied countries display enough diversity with regard to the causal

conditions and outcome variable (Rihoux 2006: 687-8). The selection of the studied ENP countries in current study is therefore based on two criteria regarding features that the countries have in common and on one criterion with regard to countries' variety towards the conditions and outcome.

➤ **The selected countries adopted AP in the first year that APs were adopted, namely in 2005.**

The ENP is new and it is early to study the effectiveness of the EU political conditionality, however we could learn more from the analysis of countries that have been implementing AP longer than from countries which just started. Table 3.2 shows that not all the ENP countries adopted AP in 2005 and there are even still countries that didn't adopt it at all. The first countries that adopted AP are Israel, Jordan, Moldova, Morocco, Occupied Palestinian Territory, Tunisia and Ukraine.

➤ **The initial situation in the selected countries is in conflict with EU conditions.**

According to Schimmelfennig et al. (2003: 501), EU political conditionality and its effectiveness are more easily observable in 'hard cases' than in 'easy cases'. The challenges to conditionality are in hard cases higher and we could learn more about the conditions of its effectiveness (ibid.). By using the Freedom House Index for 2004 we could analyze which of the ENP countries that adopted AP in 2005 were already rated as democratic (easy cases). Under the reasoning that easy cases provide less opportunity to study conditions of compliance Israel is excluded from the list of selected countries, because this country achieved a high degree of democratic consolidation before AP was adopted. Also Occupied Palestinian Territory is excluded because from this country we don't have any data on its democratic consolidation degree before and also after AP was adopted. This leaves us with Jordan, Moldova, Morocco, Tunisia and Ukraine.

Table 3.1: ENP countries and criteria for case selection

ENP Countries	Adopted AP	Freedom House Rating 2004	Freedom House Rating 2008
Algeria	n/a	n/a	n/a
Armenia	2006	4.5	n/a
Azerbaijan	2006	5.5	n/a
Belarus	n/a	n/a	n/a
Egypt	2007	5.5	n/a
Georgia	2006	3.5	n/a
Israel	2005	2	n/a
Jordan	2005	4.5	n/a
Lebanon	2007	5.5	n/a
Libya	n/a	n/a	n/a
Moldova	2005	3.5	4
Morocco	2005	4.5	4.5
Occupied Palestinian Territory	2005	n/a	n/a
Syria	n/a	n/a	n/a
Tunisia	2005	5.5	n/a
Ukraine	2005	3.5	2.5

➤ **The selected countries have variation towards the conditions and outcome.**

In advance it is difficult to assess the values of the causal conditions (independent variables). Yet to test the first independent variable (degree of) credibility of accession it is relevant that the country has membership aspiration and/or applied or is going to apply for EU accession. The independent variable wouldn't have a lot of impact on the EU political conditionality's effectiveness (degree of compliance) of those countries that did not or do not have any accession aspiration. Based on this reasoning Jordan and Tunisia are excluded from case selection. Morocco did have membership aspiration as it applied in 1987 for accession, but this application was rejected because Morocco did not geographically qualify as a European state. Moldova and especially Ukraine have (strong) EU membership aspiration and unlike Morocco these ENP countries can be qualified as European states and have a change to enter the Union in the future. From these three countries only two are selected to conduct the analysis, these countries have to be varying towards the conditions and outcome. These variations make it possible to test the hypotheses, and thus make the conditions that have impact on the implementation

progress and the varying outcomes easily observable. Under this reasoning Morocco and Ukraine are selected. Moldova is excluded because it does not differ a lot from Ukraine, but it differs in one point namely in compliance part. According to Freedom House Index (table 3.2) political reforms have occurred in Ukraine but they didn't in Moldova. In Morocco no reforms took place either, therefore Ukraine is a better case to analyze and compare with Morocco. The selected countries are from different parts of the region with different conflicts, and they represent distinguished clusters of ENP countries in terms of religion, culture and degree of democratic consolidation. Morocco represents the Middle East and North African countries, while Ukraine represents the East European and South Caucasus countries. The countries also have variation towards the other conditions (table 3.3). The operationalization and valuing of the conditions are presented in the following paragraph.

Table 3.2: Preliminary overview of the studied countries' conditions and outcomes

	<i>CRED</i>	<i>DAC</i>	<i>COM</i>	<i>SOS</i>	<i>ECI</i>	<i>COMP</i>
Morocco	-	-	-/+	+	+	-
Ukraine	-/+	-/+	+	-/+	-/+	+

The signs +, - and -/+ denote the presence, absence of the condition or its variation in time respectively.

3.3 Key Variables

The dependent variable is *compliance with the EU liberal actions listed in the AP* (further noted as compliance) and the independent test and control variables are formed within the external incentives and social learning models. In this paragraph these dependent and independent variables are operationalized and by doing this I mainly follow Schimmelfenning et al.'s operationzalization (2003; Schimmelfennig 2004). By defining these variables into measurable factors they can be preliminary coded for the fs/QCA to test which of the independent variables could explain the varying outcomes in the studied countries. The dependent variable and the independent test and control variables are coded according to the fuzzy-set. The fuzzy-set combines qualitative and quantitative assessments (Ragin 2000: 154), where the value (1) indicates that the independent variable enables compliance (full membership) and (0) shows that compliance will be hindered (full non-membership), whereas the scores between these two values indicate the degree of membership in the set of compliance. There are different types of fuzzy-sets as the specific translation of the variables to fuzzy membership scores depends on the fit between the content of the ordinal categories (of the variables) and the researcher's conceptual understanding of the variables (ibid: 157). Therefore a study that analysis a number of conditions could use different types of fuzzy-sets (scales) to code variables, like I did in current study. I use the three value, the six value and the 'continuous' fuzzy set. The last one permits cases to take values anywhere in the interval from 0 to 1 (Ragin 2000: 158).

Before operationalizing and discussing the fuzzy-set type that is used to code the dependent and independent test and control variables, the independent variable *EU political conditionality* is operationalized. This variable reflects the EU (and international) liberal values, norms and standards which are listed in the individual AP. These EU liberal actions are related to the three concepts discussed in the theoretical framework: democracy, good governance and human rights. The Union is founded on these core values and aims to uphold and promote them in the wider world. The liberal actions differ per ENP country as the AP is based on states' situation. But these actions are in all APs divided into the subgroups 'Democracy and rule of law' and 'Human rights and fundamental freedoms'. The first one indicates actions that aim to achieve respect for democracy and the rule of law, and judicial and legal reforms, and the tackling of corruption. The second subgroup reflects liberal actions that have as goal to ensure the protection of human rights and fundamental freedoms according to international and European standards such as the respect for the freedom of expression, the rights of national minorities, women, children, social rights and labour standards. To examine the effectiveness of EU political conditionality the degree of compliance of the liberal actions (cases) which are related to the global golden standards are analyzed.

The dependent variable compliance is a rule consistent behavior of the target government as it reflects the annual Progress Report on the implementation progress of the AP. The legal rule adoption (Schimmelfennig 2004: 9) is the indicator used to discern the degree of progress in compliance. A number of measures, reforms and laws/treaties are listed under a certain action, the degree of progress in compliance therefore depends on how far the target government has adopted these reforms and

measures, and passed a law and/or treaty. The European Commission has declared in the Progress Reports what parts of the action the target country has adopted and what still remains to be adopted. The continuous fuzzy-set type could have been used to code this variable if there would have been data on the implementation progress expressed in percentages. To still have a fine-grained and information rich valuing I use six values to code the degree of compliance. Table 3.4 shows the translation of the values to fuzzy membership in the set of degree of compliance.

Table 3.3: Fuzzy Membership in the set of degree of compliance of reforms, measures and law/treaties mentioned under the action

Membership (M)	Verbal Label
M=0	Fully not adopted any reforms, measures and law/treaties
M=.1	Most but not fully not adopted
M=.4	More or less not adopted
M=.6	More or less adopted
M=.9	Most but still not fully adopted
M=1	Fully adopted the action

The independent test variables under the external incentives model are *credibility of EU accession (CRED)*, and *domestic adoption costs (DAC)*. Maier and Schimmelfennig (2007: 39) assume that for the use and effectiveness of EU political conditionality a credible EU membership perspective has been a necessary condition to induce compliance. Present study takes into account that the ENP does not offer membership, however the former Soviet republics are not excluded from being potential candidates for accession in the (near) future. Table 3.5 shows the translation of this variable to three value fuzzy membership score. The values reflect the promises the Union has made towards the studied ENP countries during meetings and which are set up in the AP.

Table 3.4: Fuzzy Membership in the set of degree of credibility of EU accession

Membership (M)	Verbal Label
M=0	Fully ruled out from eventual EU membership
M=.5	Not fully ruled out or in (credibility weak)
M=1	Fully in (credibility is high and the EU declared this)

Even when a membership perspective is credible, high domestic political power costs of adoption could block compliance (2007: 39, 40). The size of domestic adoption costs determine whether target governments would accept or reject reform. Especially the type of regime plays herein a crucial role as reforms might limit the autonomy and power of governments, change the power relations between government actors, and also affect the composition of citizenship (Schimmelfennig 2005: 9). These changes could worsen the social power base of the government and, threaten the security, integrity and stability of the state. In such cases domestic adoption costs are high and it is expected that target governments would therefore fail to comply. Thus, the costs are captured by the indicator on the nature of country's governing regime. The Economist Intelligence Unit Index of Democracy – which focuses on five general categories, namely electoral process and pluralism, civil liberties, functioning of government, political participation and political culture⁶ (Economist Intelligence Unit 2007, 2009) – is used to code this variable. A continuous fuzzy-set is used; the studied countries that are fully out of the set score (0), those that are not fully out of the set but still more out than in score > (0) but < (0.5), those that are neither in nor out score (5), the cases that are more in than out the set but still not fully in score > (0.5) but < (1), and those who are fully in the set score (1) (Ragin 2000, 2008). Table presents the continuous fuzzy-set for the degree of domestic adoption costs and to code this it is expressed as the membership set of degree of democracy.

⁶ The index values are used to place countries within one of four types of regimes (threshold points for regime types depend on overall scores):

1. Full democracies—scores of 8 to 10
2. Flawed democracies—score of 6 to 7.9
3. Hybrid regimes—scores of 4 to 5.9
4. Authoritarian regimes—scores below 4

Table 3.5: Fuzzy Membership in the set of degree of democracy (variable domestic adoption costs)

Democracy Index (a 0 to 10 scale)	Membership (M)	Verbal Label
0	M=0	Clearly no democracy; fully domestic adoption costs
0.01-4.99	$0 > M < .5$	More or less no democracy; most but not fully domestic adoption costs
5.00	M=.5	In between; more or less adoption costs
5.01-9.99	$.5 > M < 1$	More or less full democracy; most but still not fully no domestic adoption costs
10.00	M=1	Full democracy; fully no domestic adoption costs

The independent control variables of the social learning model are *commitment to Europe (COM)*, *societal salience (SOS)* and *economic interdependence (ECI)*. The commitment of the target government towards EU community influences governments' behavior. States that identify themselves with the community are more likely to accept the rules of the EU (Checkel 2001). Thus, from a target government that describes and presents itself as Western (European), and aspires to belong to the Union and shares the fundamental values and norms of the European Community a high degree of compliance is expected. Like mentioned in the theoretical framework, countries could also have strong commitment towards another international actor (such as Arab world, Russia and USA); how stronger this commitment the lower the degree of compliance. Table 3.7 shows the six value fuzzy membership in the set of degree of commitment towards EU and its values. The data that is used to value this are the Country Report and AP, which describes the relation between the studied country and the EU, and countries' interests and prospects.

Table 3.6: Fuzzy Membership in the set of degree of commitment towards EU and its values

Membership (M)	Verbal Label
M=0	Fully no commitment
M=.1	Most but not fully no commitment as there is some very weak commitment
M=.4	More or less no commitment as there is some commitment but the commitment towards another international actor(s) is stronger
M=.6	More or less committed as there is also commitment towards another international actor(s) but the commitment towards EU and its values is stronger
M=.9	Strong commitment (the country presents itself Western and has membership aspirations) but not fully as there is some weak commitment to another international actor(s)
M=1	Fully committed

Societal salience refers to the degree to which the target country's society defines itself as 'European' or 'Western' and how it values liberal political principles (Schimmelfennig et al. 2003). To establish the degree of societal salience the data of World Values Survey⁷ (WVS) on the society's attitudes towards the importance of democracy in the studied countries is used as indicator. The respondent could value the importance between 0 (not at all important) and 10 (absolutely important), only the percentages of respondents that valued the importance between 7 and 10 is used. A continuous fuzzy set is used to score the set of degree of societal salience.

Table 3.7: Fuzzy Membership in the set of degree of societal salience

Attitude towards importance democracy (%)	Membership (M)	Verbal Label
0	M=0	Clearly no societal salience
1-49	$0 > M < .5$	More or less no societal salience
50	M=.5	In between
51-99	$.5 > M < 1$	More or less societal salience
100	M=1	Clearly societal salience

⁷ The WVS is organized by the WVS Association and is a global network of social scientists who have surveyed the basic values and beliefs of the publics of more than 80 societies on all six inhabited continents. (<http://www.worldvaluessurvey.org/>)

Finally, societal actors will mobilize in favour of EU liberal values, norms and standards when the degree of economic interdependence with EU is higher (Schimmelfennig et al. 2003: 501). The threshold in the EU's share of country's foreign trade is used to value this variable. The data is obtained from statistical rapports of the European Commission on trade, which presents the percentages on EU's share in the export and import of Morocco and Ukraine between 2005 and 2008. The average of share in import and export is used to score the degree of economic interdependence. Table 3.9 shows the continuous fuzzy membership set of the last variable.

Table 3.8: Fuzzy Membership in the set of degree of economic interdependence

EU's share in import and export (%)	Membership (M)	Verbal Label
0	M=0	Clearly no economic interdependence
1-49	$0 > M < .5$	More or less no economic interdependence
50	M=.5	In between
51-99	$.5 > M < 1$	More or less economic interdependence
100	M=1	Clearly economic interdependence

3.4 Conclusion: Nested Analysis

The research of present study combines the analysis of a large sample of ENP countries with the in-depth investigation of two ENP countries to a comparative research. This mix of methods is called by Lieberman (2005: 435) the 'nested analysis'. The general overview on political reforms is used to determine the case selection regarding the varying outcomes and as a fundament to build further analysis on the varying outcomes of the selected cases. The case studies have an explanatory purpose and maximize the validity in the investigation of causal process (Ragin 2000: 90) as it gives a more in-depth view of causation. It is therefore useful to use this kind of research method to explore the independent test and control variables so that they also can inform us more about the analysis made in the large-N overview. However, unlike the fs/QCA, case studies do not provide a good basis for the nature of causation (ibid). The fs/QCA makes the effect of the explanatory variables on the degree of compliance (political reforms) observable. This data analytical strategy provides tools to compare the cases and to elucidate their patterned similarities and differences. The main goal of fs/QCA is identifying which combinations are crucial for distinguishing one outcome from another. But like any other method, the fs/QCA in practice has problems regarding overly complexity and limited diversity caused by the number of variables and cases. Especially limited diversity must not be ignored or otherwise assumptions about combinations of conditions that have not been examined can easily become embedded in empirical generalizations (2000: 87) and thus affect the (external) validity of the conclusion. Sneider and Wagemanns' (2006: 18) two-step fs/QCA analytical approach is a possibility to reduce the number of logically possible combinations through theoretical reasoning by dividing the causal conditions into proximate and remote factors. Nevertheless, limited diversity would remain occurring (2000: 106). In current study limited diversity is linked to the fact that the cases of only two countries are studied. Although, the selected countries differ in terms of aspirations, political, economic situation and with regard to the conditions, these countries are not for a 100% representative for the other ENP countries and the possible conditions combinations cannot all occur under these studied countries. Therefore it is required to be careful with the generalizations and keep the limited diversity in mind in the conclusion. The following chapter presents the empirical analysis.

CHAPTER 4 EMPIRICAL ANALYSIS

In this chapter the independent variables that could explain the varying outcomes and have impact on EU political conditionality's effectiveness under the European Neighbourhood Policy are examined. Morocco and Ukraine are subject to this policy and are analyzed to examine the relevance of these variables. But first a general overview on whether political reforms occurred in a large sample of ENP countries is presented in paragraph 4.1. The paragraphs 4.2 and 4.3 present the narratives on each ENP country. First the main conflicts with EU liberal norms and the conditionality applied by the Union are presented. This is followed by a description of the conditions that serve as independent variables in the test and alternative hypotheses. These paragraphs both end with analysis on the implementation progress of the liberal actions listed in the AP. In paragraph 4.4 the conditional configurations of the studied countries are analyzed further according to the fs/QCA, and this chapter ends in paragraph 4.5 with a conclusion on the empirical analysis.

4.1 Political Reforms in the ENP Countries

This paragraph presents with the use of the Freedom House Index a general picture regarding political reforms that occurred in the ENP countries in the first implementation periods after adopting the AP. The Freedom House gives annually the rates of political rights (democracy) and civil liberties (human rights) of all the sovereign states in the world. The rate of political rights is the average of rates of electoral process, political pluralism and participation and functioning of government. The civil liberties rate is the average of the rates of freedom of expression and belief, associational and organizational rights, rule of law, and personal autonomy and individual rights. The ratings of the Freedom House are according to Diamond (1996: 24) "the best available indicator[s] of 'liberal democracy'" and these indicators agree with EU's definition on democratic principles and human rights. Table 4.1 presents the relevant data for the ENP countries. The first column lists the ENP countries which have adopted the Action Plan (AP) and from whom the Freedom House data is available. The data of Algeria, Belarus, Libya and Syria are excluded because they don't have an AP yet, and also the Occupied Palestinian Territory is excluded because there is no Freedom Index available on non sovereign states.

Table 4.1: ENP Countries and Freedom House Data

	FI1 2004	AP Adopted	FI2	D1 (FI1-FI2)	FI3 2008	D2 (FI2-FI3)	D (FI1-FI3)
Armenia	4.5	11/2006	4.5	0	5	-0.5	-0.5
Azerbaijan	5.5	11/2006	5.5	0	5.5	0	0
Egypt	5.5	03/2007	5.5	0	5.5	0	0
Georgia	3.5	11/2006	3	0.5	4	-1	-0.5
Israel	2	04/2005	1.5	0.5	1.5	0	0.5
Jordan	4.5	01/2005	4.5	0	5	-0.5	-0.5
Lebanon	5.5	01/2007	4.5	0.5	4.5	0	0.5
Moldova	3.5	02/2005	3.5	0	4	-0.5	-0.5
Morocco	4.5	07/2005	4.5	0	4.5	0	0
Tunisia	5.5	07/2005	5.5	0	6	-0.5	-0.5
Ukraine	3.5	02/2005	2.5	1	2.5	0	1
Average	4.36		4.09	0.23	4.36	-0.27	-0.05

The Freedom Index (FI) for 2004, in the second column, serves as a benchmark to evaluate the effects of EU political conditionality on promoting principles of democracy and human rights in the ENP countries. In the third column the years are listed in which the ENP countries adopted their AP, and the fourth column reports the Freedom Index (FI2) for that year. Column 5 presents the improvements and deteriorations that occurred between 2004 and the year that AP was adopted; this by calculating the difference between FI1 and FI2. Column 6 lists the most recent Freedom House data, namely that of 2008, and serves to calculate whether Freedom Index has changed in the first years after AP was adopted, and D2 shows the difference in Freedom Index between FI2 (year that AP

was adopted) and FI3 (2008). The final column presents the difference in FI rating for the entire period, so from 2004 when ENP was launched until 2008. The differences in values listed in the table (D1, D2 and D) are indicators of the effectiveness of conditionality, and help us see whether changes have occurred after AP was adopted.

The ratings are on a scale of 1 to 7, where 1 represents the most free and 7 the least free rating. Countries with a rating of 1 to 2.5 are categorized as “free countries”, with a rating of 3 to 5 are “partly free”, and those with a rating of 5.5 to 7 belong to the category “not free”. The data in the table draws a number of inferences. The ratings have been different from the starting point. In 2004 Israel, with a rating of 2, was the only ENP country which could be qualified as a “free country”. Azerbaijan, Egypt, Lebanon and Tunisia are the negative outliers with ratings of 5.5 and they fall into the “not free” category. The other ENP countries can be qualified as “partly free”. The average ENP country had a rating of 4.36 at the beginning of the process; this rating represents the “partly free” category. We could conclude from the data that principles of democracy and human rights were in 2004 generally weak in the ENP countries.

If EU political conditionality under the ENP has been effective, we expect to see better and less varying FI ratings in the year and the years after AP has been adopted. D1 shows that most of the ratings didn’t change. However, comparing the average of FI2 (4.09) with that of FI1 (4.36) we can see that there has been slightly some improvements. The rating of Georgia and Lebanon improved in 2005, so before adopting AP. Only Israel, Lebanon and Ukraine experienced change after adopting AP. Ukraine’s ratings of political rights and civil liberties both improved, and with its average rating of 2.5 it belongs to the category “free country”. From this first stage after adopting the AP we could conclude that ENP did not have a positive democracy and human right promoting impact on a majority of the ENP countries, but neither did it have a negative impact.

The data in 2008 shows that the rating in most ENP countries stayed the same, and that five countries (Armenia, Georgia, Jordan, Moldova and Tunisia) suffered from deterioration of the rating resulting. The average change (D2) was negative (-0.27), and the average FI3 increased and is the same as the average FI1 (in 2004). So even if there was any (small) improvement due to EU political conditionality at the year that AP was adopted, this improvement was more than compensated by negative developments in the aftermath of AP being adopted. For example Georgia’s situation, which improved in 2005 but then in 2008 both the political rights and civil liberties ratings deteriorate, could be explained by the 2008 South Ossetia War (Russia-Georgia armed conflict in 2008).

If we look at the overall effectiveness of the impact of EU political conditionality on the ENP countries’ domestic policy in the last four years, we could say that the situation of most of the countries got worse (Armenia, Georgia, Jordan, Moldova and Tunisia) or didn’t change at all (Azerbaijan, Egypt and Morocco). In those countries where changes didn’t occur the reason might be that AP wasn’t adopted so long ago and polity changes take time especially in authoritarian countries. The ratings of the Freedom House are for a longer time period useful indicators to measure political reforms related to democratic principles and human rights. But they don’t give a clear indication on whether improvement in the ratings of Ukraine were the result of the EU political conditionality under the ENP, and what the causes are of the lack of political change in Morocco. The indicators in the Progress Reports report about the implementation progress of the AP and might show other outcomes. The next two paragraphs analyze the political situation and the implementation progress of the AP in the studied countries Morocco and Ukraine.

4.2 Morocco

Morocco is a constitutional monarchy that geographically lies closer to EU than any other Arab country. It shares a long history with Europe – especially with France and Spain – through colonialism and trade, and more than a million EU citizens are from Moroccan origin. The relation with the EU has been Morocco’s political priority for the last decades. The Union is Morocco’s most important export market, its leading public and private external investor and its most important tourist market (European Commission 2007: 3). In the fight against terrorism Morocco has become an important EU partner on security, justice and home affairs issues, and got a greater involvement in the European Security and Defence Policy. Also in the combat against illegal migration Morocco is an important

partner for the Union. Morocco is a transit platform for illegal migrants from North-African and sub-Saharan countries that cross the Strait of Gibraltar in seek for a better life in the EU.

The European Community and Morocco first established diplomatic relations in 1960, and in 1976 a first co-operation agreement was signed (European Commission 2004b). In 1987 Morocco was the first and the only Arab country that ever formally applied for EU membership, but Morocco is ruled out from an eventual membership because it is not a European country. At the Barcelona conference the Euro-Mediterranean Partnership was inaugurated in 1995 and Barcelona process – a policy with ambitious and long-term objectives – was established. Morocco has strongly supported this policy and stressed the role of sub-regional co-operation⁸. The legal basis of the relations between the Union and Morocco was formed when in 2000 the EU-Morocco Association Agreement, which emphasis the importance of human rights, democratic principles and economic freedom, entered into force. The country also warmly welcomed the European Neighbourhood Policy and has been very cooperative regarding its implementation (2004b: 5).

Morocco is a country in political transit and subject to considerable political and economic pressures from Europe, but it averse to accept the full package of political reforms proffered by the EU (Dillman 2003: 174). Like Dillman argues, Morocco is an important case for assessing the influence of democracy, good governance and human rights promotion efforts in countries where the golden carrot of membership will not be on table. The first paragraph of this chapter provides analyzes on Morocco's case, listing the conflicts in this country with EU political liberal norms, describing the conditionality, valuing the independent variables, and discussing the implementation progress of the EU liberal actions which are listed in the AP.

4.2.1 Conflict

Morocco has experienced a steady political liberalization the last decade characterized by a multiplicity of political parties, pluralism in the media and civil society, and progress in the areas of democratic reform and respect for human rights⁹. Despite the progress Morocco has made, it still does not qualify as a democracy as the King and his close advisers hold most power and the political competition is circumscribed (Kubicek 2003a: 25). King Mohammed VI presides over the Supreme Council of the Magistracy, cabinet meetings, promulgates laws, and signs and ratifies international treaties (2004b: 6). The King is also commander-in-chief of the Armed Forces, and has the power to appoint the Prime Minister and other members of the Government. Certain ministries are headed by people chosen by the King. The Parliament consists of the House of Representatives and House of Counselors and its power is, despite the new ones conferred on it by constitutional amendments in the 1990s, limited. The political parties in the Parliament are institutionally weak and highly centralized as the parties focus is on personalities rather than posts. Morocco's government was before the ENP in the move to create a more decentralized system of government and strengthen local government, and in the move to ensure the impartiality of judges. The administrative capacity of Morocco is because of a centralized hierarchical bureaucracy poor despite a wage bill amounting to 12.5% of GDP (ibid: 7). Corruption is a very serious problem in Morocco and is one of the main causes of country's economic backwardness. Despite initiatives to increase administrative transparency, drafting an anti-corruption law in line with the UN convention on corruption and taking part in anti-corruption activities and meetings organized by the World Bank and United Nations Development Programme, corruption remains a major problem. In the Transparency International corruption-perceptions index of 2003 Morocco ranks 70th out of 133 countries.

The Moroccan constitution already protected most important rights, but major legislative reforms were not implemented or they were not yet implemented in full. The core UN Human Rights

⁸ "In political dialogue, Morocco has been one of the more open partners as regards human rights and democratisation. Morocco is particularly keen to develop co-operation on security and defence policy (ESDP), and already participates in EU-led peace-keeping activities in the Balkans and in Africa." (European Commission 2004b: 3)

⁹ "... in particular the adoption of the new family code, the law on political parties, the law outlawing torture, the strengthening of local democracy, the reform of the justice and prison systems, and drafting of the new electoral code." (European Commission 2007: 8)

conventions and most of the International Labour Organization's¹⁰ Human Rights Convention were ratified by Morocco, except the Optional Protocols to the International Covenant on Civil and Political Rights, and to the Convention against Torture, and Convention No. 87 on the freedom of association and protection of the right to organise (ibid.). Since the accession of Mohammed VI the media have become considerably free, however Morocco's law on press freedom imposed major restrictions and journalist are arrested on liberal and slander charges. The religious freedom in Morocco is in certain points restricted as the government interferes in religious matters; the Ministry of Islamic Affairs has supervisory powers over Friday sermons, Koran schools and the construction of new mosque and attempts to convert a Muslim to another religion is a crime and proselytizing can result in deportation. Regarding the rights of women and children Morocco undertook reforms to improve their rights but not all reforms were implemented as certain forms of discrimination against women (e.g. social and economic status of women and domestic violence) were legislatively not prohibit and child labour laws were not complied. The majority of the Moroccan population belongs to the Berber population and a significant proportion only speaks Berber. In support of the promotion and preservation of the Berber language and culture the current King created in 2001 the Royal Institute of Amazigh Culture. Still there are concerns over the recognition of the Berber-speaking community's cultural and linguistic rights. During the regime of King Hassan II violent repression, disappearance, political imprisonment and torture were widespread. In 1999 an arbitration committee and in 2004 the Equity and Reconciliation Commission was set up to compensate and rehabilitate victims and their families of these 'leaden years'. Nevertheless, Morocco's criminal law does not contain a definition of torture in line with that of the UN Convention against Torture and under the regime of current King there are cases of torture reported (ibid: 8), also the death penalty is not abolished (but since 1993 there has been a de facto moratorium on executions). Finally, the freedom of association and right to organize are restricted as authorization of Ministry of the Interior is needed for public meetings, Moroccan NGO's suffer from a lack of funding and capacity, and the rights of certain categories of workers in organizing themselves (trade unions rights) are limited (ibid: 8, 9).

4.2.2 Conditionality

The EU-Morocco Association Agreement was signed in 1996 and entered in 2000 into force, replaced the 1976 Co-operation Agreement and formed a legal framework for relations between the Union and Morocco. The Agreement provides for cooperation in political, economic, social, scientific and cultural matters. In addition to political liberal norms it emphasizes the importance of the principles of the United Nations Charter – human rights, democratic principles and economic freedom – and respect for these principles guides the domestic and external policies of the Community and of Morocco and is the essential element of the Agreement (European Commission 2000). Through regular political dialogue on ministerial/senior official level and parliamentary level the political and economic issues as well as the bilateral cooperation were discussed. The European Neighbourhood Policy established a new legal framework for cooperation between the EU and Morocco. The policy goes beyond the Association Agreement as it offers a deepening of the political relationship and the prospect of a significant measure of economic integration through gradual integration in the EU internal market (European Commission 2005a). The EU-Morocco AP attached to ENP was adopted in July 2005 and has a timeframe of five years. The AP lists the commitments (conditions) jointly agreed by the EU and Morocco. In order for the Moroccan government to meet the objectives contained in the AP, the Union provides substantial financial support via an appropriate range of financial instruments. A deepening relationship and fulfillment of the objectives of the AP “will allow Morocco to progress towards advanced status” (ibid) not meaning EU accession but the opening of new partnership perspectives¹¹ and even the possibility of a new contractual relationship that could take the form of a European Neighbourhood Agreement. Commission's suggestion got the support of Morocco, and its advisability

¹⁰ The International Labour Organization (ILO) is a tripartite UN agency and is responsible for drawing up and overseeing international labour standards. ILO works with UN Member States and seeks to ensure that labour standards are respected in practice as well as principle. (<http://www.ilo.org>)

¹¹ This new partnership perspectives offer Morocco among other things a stake in the internal market, opening of economies to each other, increased financial support, deepening trade and economic relations, establishing a constructive dialogue on visa issues and enhanced direct cooperation between administration participating in institutionalized thematic subcommittees. (European Commission 2005a)

will be considered in due time in the context of the ENP. Since, the AP was adopted the progress in meeting the priorities contained in the AP has been guided and monitored in subcommittees established by the Association Agreement (ibid.).

4.2.3 Conditions

Morocco is a useful case to compare the impact of the test with the alternative variables as the case combines unfavorable values for the test variables with largely favorable values for the control variables. First, Morocco is fully ruled out from an eventual membership in the future what makes the test variable credibility EU membership unfavorable to induce compliance (0). The domestic adaptation cost is most but not fully as Morocco is more or less no democracy. With an average score of 3.89 (from a scale from 0 to 10) in the Economist Intelligence Unit Index of Democracy (2006; 2008) the cost is assumed to be very high and is assigned the value (.39). Morocco has an authoritarian regime, the current King and his close advisers still hold most power, and the political competition is circumscribed. Polity reforms to decentralize King's power and change the relation between the King and other government actors in different levels would affect the composition of the citizenship and could threaten the security, integrity and stability of the state.

With respect to the first control variable, commitment to Europe, Morocco shares a long history with Europe and the relation with the Union has been country's political priority for the last decades it even had EU aspirations and applied for accession. According to the AP the ENP is based on the mutually recognized acceptance of common values such as democracy, the rule of law, good governance and respect for human rights. But Morocco also has a close relation with especially the Arab world. Based on this reasoning the variable commitment is assigned the value (.6), which refers to more or less committed as there is also commitment towards another international actor but the commitment towards EU and its values is stronger. The second control variable social salience is also favorable to induce compliance. The data of World Values Survey (WVS) for 2007 on Moroccan society's attitude towards the importance of democracy presents that 87.6%¹² of the Moroccan respondents find democracy important of which 64.3% find democracy absolutely important. Also the results of the Arab Barometer Surveys¹³ for 2006 confirms this percentage as 84.6% of the Moroccan respondents agree with the statement that democracy is better than any other form of government. To code the variable I only use the data of WVS because I also use it for Ukraine and it makes the two cases more comparable. The score for societal salience is assigned the (.88) and means more or less societal salience. Finally, the degree of economic interdependence with the Union is in Morocco's case is more or less high and valued as (.6). The average share of EU-27 in imports of Morocco has been between 2005 and 2008 56.8% and in exports 63.6% (European Commission 2009a)¹⁴. The average EU-27 share of country's foreign trade was 60.2% in the first three implementation periods. EU is Morocco's most important trade partner.

4.2.4 Effectiveness

Morocco has showed to be an active and constructive partner in the ENP. In the first years after adopting the AP the Moroccan government made progress in several internal-reforms such as the adoption of a new electoral code, United Nations conventions and of measures to fight corruption, and the progress in reinforcing the participation of women. The reforms to advance democracy and human rights have been made but could be more ambitious. Nevertheless, in certain areas no or limited progress has been made. Obstacles to the freedom of press and demonstrations remain and the deficiencies in the functioning of the judicial system remains to be a major concern as it poses a risk to the reforms that Morocco has made under the ENP. An overall middle value of (.4) in the degree of compliance could be assigned, which means that Morocco more or less did not adopt the liberal actions. This sub-paragraph analyzes the implementation progress and values the degree of compliance of each liberal action with the use of the Progress Reports of the first three implementation periods (2005/2006; 2006/2007; 2008), and with the use of data¹⁵ such as the Transparency International's

¹² See Appendix Table A: Ukrainians' (2006) and Moroccans' (2007) attitude towards the importance of democracy.

¹³ <http://www.arabbarometer.org/reports/countryreports/comparisonresults06.html>

¹⁴ See Appendix Table B: EU's share in Morocco's imports and exports.

¹⁵ These data are also used in the Progress Reports.

Corruption Perceptions Index this sub-paragraph also explores whether improvements in democratic principles, good governance and human rights were visible in Morocco.

➤ *Consolidate the administrative bodies responsible for reinforcing respect for democracy and the rule of law*

The Moroccan government adopted a law on political parties that led to improvements on the creation of political parties and the system of public funding, and led to adoption of an electoral code that governed the parliamentary elections in September 2007. The authorities for the first time agreed with the presence of international observers, according to local and international monitoring groups the elections were conducted in a fair and transparent manner. For the elections that are held in June 2009 the Moroccan parliament adopted in 2008 a new electoral code and a number of other reforms to improve the system of public funding and to reinforce the participation of women. Reforms were also made with regard to strengthening the administrations' capacity; the House of Representatives adopted a law for the setting up of a special court at the High Court level to deal with crimes committed by government members during their tenure. In cooperation with the European Union the Moroccan government continued strengthening decentralization and capacity of the local authorities. In May 2007 Morocco joined the European Commission for Democracy Through Law, better known as the Venice Commission, an advisory body of the Council of Europe on constitutional law. Regarding this liberal action, Morocco made significant implementation progress and could be assigned the value (.9) in the degree of compliance as this action is most but still not fully adopted.

➤ *Step up efforts to facilitate access to justice and the law*

The simplification of judicial procedures continued and several laws were adopted to modernize the justice system. The European Community supported this modernization by funding a project providing computerization of jurisdictions which was according to the last Progress Report (2008) almost finalized. Despite these progress points, no fundamental reforms have been made in the field of justice as the persistent of dysfunctional judicial system remains to be a major concern. The prison situation characterized by poor hygiene and overcrowding, and the complex situation of juvenile justice remain the same. However, progress has been made towards minors by giving them education in prison and trial by a Chamber for minors. Morocco made limited progress towards this action and the value (.4) could be assigned which means that the action was more or less not adopted in the first three implementation periods.

➤ *Cooperation in tackling corruption*

Morocco has in the fight against corruption ratified the UN Convention against Corruption and it entered into force in May 2007. Although, several reforms and measures were adopted to tackle corruption the level of corruption remains a concern. The Transparency International's Corruption Perceptions Index¹⁶ shows this; Morocco declined in 2008 from 72 to 80th place. Corruption is largely rooted in Morocco and in order to change the attitudes of citizens towards corruption the country has to strengthening the implementation of measures and control procedures. Towards this action Morocco tried to implement it but the target government was more or less not able to adopt it, and therefore the value (.4) could be assigned.

➤ *Ensuring the protection of human rights and fundamental freedoms according to international standards*

In the field of human rights and fundamental freedoms, a number of reservations against international conventions have been lifted and progress has been made in the implementation of several recommendations of the Equity and Reconciliation Commission. The application of the rule of international conventions in relation to national law remains a problem, but governments' aim is that the primacy of international conventions becomes generally applicable in particular for law governing public freedoms. The conditions of prisons have not improved despite efforts made at the legislative level, but the government announced reforms. Morocco and the EU had yearly a meeting of the Human Rights, Democratization and Governance Sub-committee where they stepped up their

¹⁶ <http://www.transparency.org>

cooperation on human rights. The third meeting in October 2008 provided an opportunity for open and constructive discussion amongst other things on some reforms that Morocco was committed to but did not adopt yet. The Rome Statute of the International Criminal Court is signed but not ratified. Furthermore, efforts have been made to promote Amazigh culture and language rights. Morocco has to continue pursuing legislative reforms but progress has been reported, so this action was more or less adopted and could be assigned the value (.6).

➤ *Freedom of association and expression*

Morocco has an independent press and in the recent years the number of titles has increased rapidly, and progress has been made on the liberalization of the audiovisual sector. But with regard to freedom of expression no progress has been reported. According to the Press Freedom Index¹⁷, Morocco dropped consequently from a place 106 to 127. Journalists are in their criticism not allowed to cross the 'red lines', namely religion, the King and the monarchy in general, the country and territorial integrity cannot be questioned (Reporters Without Borders 2009). The past years the court has handed down several financial penalties and prison sentences against journalists that crossed these red lines. This is in Morocco still possible as the adoption of a new amendment to the Press Code which would abolish prison sentences for journalists is still pending. As regards the freedom of assembly and association, changes have been made to the legislative framework allowing emergence of a more active and dynamic civil society. Nevertheless, the number of public demonstration dispersed by the police increased and several protesters were sentenced to prison. Some organizations still face difficulties in their legal registration especially when organization's focus is on sensitive issues such as the Western Sahara. In sum, the value (.4) could be assigned to the degree of compliance, because Morocco more or less did not adopt this action.

➤ *Further promote and protect the rights of women and children*

In the fight against violence against women Morocco launched campaigns and continued making efforts. However, several weaknesses remain in this area. The application of the Family Code that constitutes a major advance for women's rights remains difficult in practice. The establishment of a legal aid system has not progressed and the difficulties of access to sections of justice within the family courts and long delays limit the effectiveness of the Family Code. The mutual fund family was announced in 2004 but has not yet been established. Under funding of an EU member state a pilot project to strengthen the capacity of the family courts to ensure full understanding and application of the Code is launched by the United Nations Development Fund for Women (UNIFEM) and Moroccan Ministry of Justice. Although the Labor Code prohibits employment of children younger than 15 years, child labour remains to be a widespread phenomenon in certain sectors. The government introduced a program to fight against girl domestic workers, but didn't yet adopt a law prohibiting domestic workers underage. Morocco made with regard to this action limited progress, it more or less did not adopt this action and the degree of compliance could be valued as (.4).

➤ *Implement fundamental social rights and core labour standards*

Morocco didn't show progress in implementing fundamental social rights and core labour standards. The country continued its dialogue with the EU on the fundamental rights and core labour standards on the basis of the International Labour Organisation (ILO) Declaration of the 1998. But the country did not ratify the ILO Convention on Freedom of Association and Protection of the Right to Organize Convention. This last liberal action is assigned the value (.1) as it is most but not fully not adopted by Morocco.

4.3 Ukraine

Ukraine is a former Soviet republic and proclaimed its independence in 1991. In contrast to Morocco, Ukraine's relation with the EU started later namely in the late 1990s. The EU saw the country as an important but an uneasy to deal with political partner, because it had a lack of democracy (during the 1990s), poor economic performance and had to overcome dependence on Russia. In 1994 Ukraine

¹⁷ <http://www.rsf.org>

declared that integration to the EU was the main foreign policy objective, that same year the Partnership and Cooperation Agreement (PCA) was concluded and in 1998 entered into force. The PCA formed the first legal framework for EU-Ukraine relations, providing political, economic and legislative cooperation. A Strategy for European Integration was adopted by Ukraine in 1998, and a year later the Common Strategy on Ukraine was announced by the EU which aims to develop “a strategic partnership between the EU and Ukraine on the basis of the PCA, while acknowledging Ukraine’s European aspirations and welcoming the country’s European choice” (European Commission 2004c: 5). President Kuchma declared in 2002 that EU membership is a long-term goal and that Ukraine’s aim is to fulfill the relevant criteria and apply for accession by 2011. Ukraine acknowledged the broad range of opportunities the ENP offers, however the country noted that this policy “should be seen as distinct for the question of possible EU accession regulated by article 49 of the Treaty on European Union” (ibid: 6). Since the legal framework for EU-Ukraine relations was formed, the Union has become the largest bilateral provider of technical and financial assistance to Ukraine (Kubicek 2003b; 2004c).

Ukraine is an interesting case to study, it has formally expressed the desire to join the Union and took some political reforms before adopting the ENP, but the country still has a bumpy road to go ahead before it can hope to join the EU club. Like Kubicek states, Ukraine’s aspiration to join the Union has not been accompanied by full democratization at home. Thus, for Ukraine the door to EU accession is not closed but a lot of homework needs to be done. This paragraph provides analyzes on Ukraine’s case, listing the conflicts, describing the conditionality, valuing the independent variables, and discussing the implementation progress of the liberal actions.

4.3.1 Conflict

Ukraine’s independence faced the country with domestic and international challenges. Polity, economic and political reforms were top priorities for Ukrainians leaders as Ukraine was suffering among other things from restricted freedom of mass media, inefficient and corrupt system of public administration, misused judicial system by influential authorities, and economic stagnation. Ukraine also had to overcome dependence on Russia in areas such as energy, while looking westward for political and economic support (2003: 150). The republic has a unicameral parliament (the Supreme Council) and a presidential-parliamentary system which was established by the in 1996 adopted Constitution. The president is Head of State and Chief Executive with wide-ranging powers, and is elected for a five-year term by popular vote (2004c). The President appoints the Prime Minister, deputy prime minister (who are approved by the Supreme Council), all government ministers and the head of local territorial administrations (except municipalities). Since the independence the division of executive authority between President and Prime Minister and the role of the parliament have been a source of political tension. After the Orange Revolution – opposition blocked presidents Kuchmas’ decision to head to a full authoritarian regime – Ukraine’s parliament ratified constitutional reforms that shifted certain powers of the president to the parliament. These reforms resulted in a power struggle between president and prime minister which continued unabated. In 2001 and 2002 the country adopted a set of judicial reform legislation to increase the independence and efficiency of the judiciary in line with the constitution. However, the judiciary remains in practice vulnerable to political and administrative interference from the executive branch and to corruption (ibid.). Corruption is one of Ukraine’s most serious problems and is also the cause of the economic problems in the country. Ukraine ranks according to the Transparency International Corruption Perceptions Index of 2003 in place 106 as the perceived level of corruption is reported to act as a deterrent for foreign investors and a restraining factor on economic development. At the highest level of the economy and political system there is the lack of transparency, and many fear that “country’s economic oligarch benefit financially from their close association with top politicians” (Freedom House, 2009). To fight the corruption Ukraine signed in 2003 an OECD¹⁸ regional Anti-Corruption Action Plan along with other East-European and South-Caucuses countries.

¹⁸ Organisation for Economic Co-operation and Development (OECD) provides a setting for governments of countries committed to democracy and the market economy where they can compare policy, seek answers to common problems, identify good practice and coordinate domestic and international policies. OECDs missions is to: support sustainable

Most of the major international human rights instruments are ratified by Ukraine, like all ILO fundamental conventions and the core UN Human Rights Conventions (except the Convention relating to the Status of Refugees and its Protocol). In a resolution of 2003 the Parliamentary Assembly of the Council of Europe concluded that despite notable progress Ukraine had not yet fulfilled all its obligation and commitments (2004c: 8). Media freedom is guaranteed by law and the constitution, but it remained under increasing pressure as interference by national and local authorities is common and independent media face various difficulties in carrying out their work. On the rights of children Ukraine's government has joined the main international instruments. Nevertheless there are concerns on the implementation and the enforcement of child and family protection laws aiming to help regulate child-refugee protection and address financial assistance for families in need. With respect to women rights, Ukraine's constitution and domestic law prohibit gender discrimination and protect women (from domestic violence). However, women in practice face obstacles to their full and equal participation in the labour force, and in prosecution and victims' services. The Ukrainian government has taken positive measures to protect minorities, but certain minorities like Roma communities, immigrants and refugees reportedly face racism, discrimination, intolerance and disadvantage. Also minorities with non-traditional religions have experienced difficulties in registration and buying and leasing property, while the Constitution and the law on Freedom of Conscience provide freedom of religion and rights in practice. The National Human Rights Ombudsperson highlighted in the annual report of 2002 its concerns over torture and ill-treatment also the Council of Europe Parliamentary Assembly shared these concerns. It seemed that a large number of individuals have been subject to torture and ill-treatment and that there has been a lack of clarity regarding the time when a detained person may exercise its rights. The number of non-governmental organizations has been growing, but their capacity remains weak and their impact depends on whether they are funded by foreign or domestic grant donations. Finally, the discrimination against trade unions is prohibited by domestic law and according to this law registration is required in order for unions to be able to pursue their objectives, but registrations' standards and criteria seem to be unclear and make registration not easy to obtain.

4.3.2 Conditionality

The Partnership and Cooperation Agreement (PCA) entered in 1998 into force and formed the first legal framework for EU-Ukraine relations, providing political dialogue, trade and investment, economic and legislative cooperation. A Strategy for European Integration was adopted by Ukraine in 1998, and a year later the Common Strategy on Ukraine was announced by the Union. This Strategy aims to develop a strategic partnership between the EU and Ukraine, while acknowledging Ukraine's European aspirations and welcoming country's European choice. Even when this aim continues and Ukraine is a priority partner country within the ENP, Ukraine's government does not see the policy as an adequate political instrument as it does not offer membership. Ukraine has since 1994 European aspirations and president Kuchma (2002) declared EU membership as Ukraine's long-term goal. In February 2005 the EU-Ukraine Action Plan of the ENP was jointly endorsed. This plan is based on the PCA and covers a timeframe of three years. The implementation of the plan aims to significantly advance the approximation of Ukrainian legislation, norms and standards to those of the Union (European Commission 2005b). The progresses of the implementation of AP's priorities are monitored on the basis of annual implementation tool in the bodies established by the PCA. The AP does mention that the Union, as confirmed in the Common Strategy, acknowledges European aspirations of Ukraine and welcomes the European choice, but the Plan is unclear on any possibilities for Ukraine to join the Union. The Union offers Ukraine under the ENP a new partnership, next to (technical and financial) assistance, economic integration and cooperation perspectives¹⁹.

economic growth, boost employment, raise living standards, maintain financial stability, assist other countries' economic development, and contribute to growth in world trade. (<http://www.oecd.org>)

¹⁹ EU offers among other things a stake in the Internal Market, opening of economies to each other, increased financial support, support for legislative approximation to meet EU norms and standards, deepening trade and economic relations (establishment of a Free Trade Area), and a new enhanced agreement. (European Commission 2005b)

4.3.3 Conditions

Since 1994 Ukraine has aspiration to join the Union and it wants to apply for EU accession. Under the ENP EU membership is not offered but the Union acknowledged Ukraine's European aspirations and welcomes country's European choice in the AP. The door to accession is not closed and the credibility of EU membership can be assigned the value (.5) which means that the country is not fully ruled out or in. Ukraine is a country that has been in transit since the Orange Revolution (2004), especially the EU aspirations motivated the country to take reforms that among other things shifted certain powers of the president to the parliament. The country has according to the Economist Intelligence Unit Index of Democracy for 2006 and 2008 a score of 6.94 from a scale of 0 to 10. The second test variable domestic adoption cost is therefore assigned the value (.69) as Ukraine is more or less a full democracy and there are still domestic adoption costs.

The commitment of Ukraine's government towards EU increased after declaring the desire to 'return to Europe' and the European vector to be priority in its foreign policy (Kubicek 2003b: 150). Thus, the degree of commitment towards EU and its values is valued (.9) as it is strong but not fully because there is some weak commitment to other international actors (Russia and USA). The second control variable societal salience is also favorable (.79) and this score means that there is more or less societal salience. The data of the World Values Survey for 2006 on Ukrainian's attitude towards the importance of democracy²⁰ presents that 79.1% of the Ukrainian respondents find democracy important. The last control variable economic interdependence is unfavorable (.35), which means that there is more or less no economic interdependency. The statistics of the European Commission of trade (2009b)²¹ show that the average share of EU-27 in Ukraine's import has been between 2005 and 2008 40.7% and in export 29.33%. The average EU-27 share of country's foreign trade was 35.01% in the first three implementation periods. The Union is an important trade partner but Russia also remains to be a very important partner as its percentage of trade share does not differ much from that of the EU.

4.3.4 Effectiveness

Under the ENP Ukraine annually continued making progress in several cases, however in spite its European aspirations it didn't really show efforts in implementing key political reform measures such as the constitutional and judicial reform and the fight against corruption. The domestic political instability since 2007 and the deepening global financial and economic crises were not conducive to these reforms and slowed down the progress. An overall middle value of (.6) in the degree of compliance could be assigned, which means that Ukraine more or less adopted the liberal actions in the first three implementation periods. In this sub-paragraph the implementation progress is analyzed and the degree of compliance of each liberal action is valued with the use of the Progress Reports of the first three implementation periods (2005/2006; 2006/2007; 2008). To explore whether improvements in democratic principles, good governance and human rights were visible in Ukraine data, which are also used in the Progress Reports, such as the Transparency International's Corruption Perceptions Index are used.

➤ *Strengthen the stability and effectiveness of institutions guaranteeing democracy and the rule of law*

The parliamentary elections in 2006 and the pre-parliamentary elections in 2007 were, according to the International Observer Mission under the leadership of the OSCE/ODIH, conducted largely in line with international standards and recommendations. Through July 2005, prior to the elections of 2006, the law on the Election of People's Deputies addressing recommendations made by OSCE Observer Mission had been revised. A law on setting up a centralized voters' register was passed by the parliament in 2007 and is progressing. Nevertheless, also shortcomings with regard to the legal basis of both the elections, such as the poor quality of voter lists, the possible disenfranchisement of voters who crossed the borders, and the lack of possibilities for absentee voting, were registered. Next to this, during the second and third implementation period Ukraine did not implement the recommendations

²⁰ See Appendix Table A: Ukrainians' (2006) and Moroccans' (2007) attitude towards the importance of democracy.

²¹ See Appendix Table C: EU's share in Ukraine's imports and exports.

on the drafting of the Election Code made by the OSCE/ODIHR. As regards to the reform of the Ukrainian constitution, limited progress has been made. In January 2006 the amendments to 1996 Constitution, which concerns the roles of the President, government and strengthening the power of the parliament, entered into force. Leading to this, the Venice commission in June 2006 highlighted the issue of the absence of a functioning Constitutional court and was re-established in August 2006. Also other recommendations were made by the commission, but these remain to be addressed. The parliament adopted June 2007 the law on the Cabinet of Ministers which was criticized by Venice Commission for “introducing through an ordinary law changes that amount to constitutional amendments, as well as for endangering the principle of separation of powers” (2008b: 3), and as respond to this adoption the president submitted a new draft law envisaging the increase of the president’s powers. During 2008 attempts have been made to form a National Constitutional Council, but after one meeting the representatives from the two biggest parties withdrew and each formulated their own proposals for constitutional reform. This liberal action was more or less adopted in the first three implementation periods and could be assigned the value (.6) in the degree of compliance.

➤ *Further judicial and legal reform, so as to ensure the independence of the judiciary and strengthen its administrative capacity, and to ensure impartiality and effectiveness of prosecution*

The Code on administrative justice and the new civil procedure Code both entered in September 2005 into force. The National commission for strengthening democracy and rule of law (set up in 2005) adopted in 2006 a Concept on improvements of judiciary and on ensuring justice. A law on enforcement of judgments of the European Court of Human Rights was adopted that same year. Training for judges, prosecutors and other officials in particular human rights issues was provided throughout 2006 and 2007 through the European Commission/Council of Europe Joint Programmes. A number of drafts, mainly in line with Council of Europe, has been introduced in 2007. Throughout 2008 a concept on the Reform of the Office of prosecutor was introduced and a law on amendments to the law of Ukraine on the procuracy was adopted. Despite these efforts and reforms, progress is still required to ensure the independence and efficiency of judiciary and fairness of legal proceedings. Thus, the action is most but not fully adopted and the degree of compliance could be assigned the value (.9).

➤ *Ensure the effectiveness of the fight against corruption*

Corruption is one of the core problems in Ukraine and the fight against it has not been easy. In 2006 Ukraine made its first step in the fight against corruption as it joint the Council of Europe’s group of states against corruption (GRECO) and the Civil law convention on corruption entered into force. A strategy and a draft law aimed to promote the transparency and accountability of the administration were adopted that same year. The political instability in 2007 – followed by presidential decree on early elections and dissolution of the parliament – halted the adoption of anti-corruption legislation. GRECO addressed several recommendations to Ukraine and based on these recommendations measures were introduced to strengthen the fight against corruption in 2008, and with respect of its compliance Ukraine will be assessed by GRECO. The progress report for 2009 will report whether progress has been made in the compliance of these measures. Ukraine more or less adopted this liberal action in the first implementation period but in the last implementation periods the country has not really made any progress. The Transparency International’s Corruption Perceptions Index²² also shows this as the country’s score continued to slide over the years and Ukraine dropped from 107th to 134th place. This brings the overall degree of compliance of the first three implementation periods to a value of (.4), thus more or less no adoption.

➤ *Ensure respect of human rights and fundamental freedom, in line with international and European standards*

Ukraine made progress with respect to human rights and fundamental freedom legislation. All reporting obligations under the human rights conventions are complied by Ukraine and it agreed to a wide range of recommendations. The country ratified the protocols 12 and 14 of the Convention for

²² The corruption perceptions index of the first three implementation periods in 2005: 107th; 2006: 99th; 2007: 118th; 2008: 134th place. (<http://www.transparency.org>)

the Protection of Human Rights and Fundamental Freedoms, and signed in September 2008 the Convention on the Rights of Persons with Disabilities and its Optional Protocol. A favorable value could be assigned to the degree of compliance towards this action, because the Progress Reports show that Ukraine made significant progress, especially in the first and third implementation periods. Thus, the value (.9) could be assigned as the Ukrainian government most but still not fully adopted this action.

➤ *Foster the development of civil society*

In improving the development of civil society, Ukraine has made considerable steps. The registration fee for NGOs was lowered and trade unions are exempt from paying such fee. A concept paper on government support for the development of civil society has been endorsed in the end of 2007 and its first year action plan has been implemented in May 2008 by the Cabinet of Ministers. The value (.9) could be assigned and means that this action was adopted most but not fully.

➤ *Ensure respect for the freedom of the media and expression*

The Ukrainian government was making progress in the beginning, offering citizens the possibility to enjoy a wide-ranging pluralism in electronic and print media. There were still a few issues to be addressed but the country was making progress. Unfortunately incidents of threats and violence to journalists have occurred throughout 2008, and it has been reported that journalists who file a formal complaint not always get the support of the courts. If a case comes to trial it still can be plagued with obstacles, like it is the case with the trial against three policemen which are accused of killing a journalist in 2000. Also the lack of transparency in the media ownership remains being a serious problem as it can constitute a more subtle form of pressure on journalists (European Commission 2009c: 4). No further progress in ensuring respect for the freedom of media and expression has been made. Ukraine was progressing but since the political instability the country dropped from 87th to 89th place in the World Press Freedom Index²³. This action more or less was not adopted by the target government and the compliance degree could be valued as (.4)

➤ *Ensure respect for rights of persons belonging to national minorities*

In respect for the rights of persons belonging to national minorities Ukraine took positive measures. However, since 2007 an upward trend of violence against minorities has been observed. Measures that strengthen the criminal legislation against hate speech and racially motivated crime and improve the anti-discrimination legislative framework need to comply with the standards of the Council of Europe. Ukraine made with regard to this action limited progress, it more or less did not adopt this action and the degree of compliance could be valued as (.4).

➤ *Prevention of ill-treatment and torture*

Despite positive steps, especially in the first period, through legislative changes cases of torture and ill-treatment in police detention continued being reported, albeit throughout 2008 the scale was slightly lesser than in the past (European Commission, 2009c). Ukraine still has to complete measures that improve the civilian control over the penitentiary system. Concerns about the poor detention conditions, impunity of law enforcement officers, the ineffectiveness of legal safeguards against ill-treatments in police detention and investigation into torture and ill-treatment remain. The value of (.4) is given to the degree of compliance as the target government more or less did not adopt this action.

➤ *Ensure equal treatment*

The legal framework on equal rights of women and men started in September 2005 and extended in 2008 when the parliament adopted amendments to several laws regarding gender equality. There are still some issues that have to be worked on, like the prosecution and courts are not fully engaged in preventing and addressing domestic violence and the gender pay gap. But in 2008 Ukraine has showed efforts and made progress to ensure equal treatment (the increased proportion of women in the labour force shows this). Therefore, the value (.9) could be assigned which means that this action was most but not fully adopted by Ukraine.

²³ <http://www.rsf.org>

➤ *Ensure respect of Children's rights*

In 2007 the Ukraine introduced a juvenile justice system, but it still had to be put in place. Positive steps have been made throughout 2008, namely the finalization of a draft for the development of juvenile justice by Minister of Justice, changes in Ukrainian legislation regarding juveniles and other adopted measures to increase the protection of children were reported. A number of recommendations of the UN Committee on the Rights of the Child still have to be addressed. The Progress Report for 2005/2006 does not report on any progress, but in the last two implementation periods the action was more or less adopted and therefore the degree of compliance is assigned the value (.6).

➤ *Ensure respect for trade unions' rights and core labour standards*

As regards trade union rights and core labour standards the progress includes fulfillment of the core ILO obligations, the increased efforts of authorities in this area, and the tripartite agreement to strengthen the social dialogue with the National Tripartite Council on Social and Economic Issues and the European Economic and Social Committee. Ukraine most but still not fully adopted this action and could therefore be assigned the value of (.9).

➤ *Ensure international justice*

Finally, Ukraine still didn't ratify the Rome Statute of International Criminal Court and therefore this last liberal action could be assigned the value (0).

4.4 Fuzzy-Set Qualitative Comparative Analysis

This paragraph compares the studied countries' scores for the conditions and the compliance degree, and analyzes the conditional configurations and the consistency for each causal combination with the use of the fs/QCA. As only two ENP countries, thus a limited number of cases, are studied and the conditions did not change dramatically through the first three implementation periods, the logically possible configurations of relevant conditions do not appear empirically in current study, because only 2 of the 32 (2^5) possible combinations of the conditions to the outcome occurred. This limited diversity of empirical cases makes it impossible to draw a firm conclusion about the causation and about the necessity and sufficiency of conditions directly from the evidence presented in current study. Even the two-steps fs/QCA analytic approach would not help to reduce the limited diversity. If only the two test conditions would be analyzed only two of the four possible conditions would occur and so there will be still a limited diversity. However, I already discussed in the methodology part that in current study the fs/QCA is used as aid analytical method next to the in-depth case study to analyze and compare the degree of conditions and compliance in both the studied countries. The fs/QCA makes the difference and similarities of the studied countries and their degree of conditions and compliance easy observable. Table 4.1 summarizes the overall middle value of all the actions' degree in compliance (dependent variable) and the value for the associated independent test and control variables of Morocco and Ukraine. In both the countries commitment and societal salience are present, but the degree is in the one studied country higher than in the other one. The credibility and adoption costs are for Ukraine favorable and for Morocco unfavorable, whereas the degree of economic interdependency is in Morocco high but in Ukraine low. Regarding the degree of compliance, Ukraine made more progress than Morocco.

Table 4.1: The conditional configurations for Morocco and Ukraine

	CRED	DAC	COM	SOS	ECI	COMP
Morocco	0	.39	.6	.88	.6	.4
Ukraine	.5	.69	.9	.79	.35	.6

The truth table is the key tool used to identify explicit connections between combinations of causal conditions and outcomes (ibid: 125). With the use of five-condition recipe the truth table would have 32 (number of combination= 2^k , where k is the number of causal conditions) possible combinations of causal conditions. But in current study I use the truth table to analyze only 2 of the 32 possible combinations of causal conditions, namely that of Morocco and Ukraine. When putting the fuzzy-set data (table 4.1) directly into the fs/QCA software program and selecting all the conditions

and the outcome, the program recodes the scores as 0s and 1s ($< .5 = 0$ and $>.5 = 1$)²⁴ and creates the truth table as presented in table 4.2.

Table 4.2: The truth table for Morocco and Ukraine

	CRED	DAC	COM	SOS	ECI	COMP	CONSIST
Morocco	0	0	1	1	1	0	0.780220
Ukraine	1	1	1	1	0	1	1.000000

The last column presents the consistency measures which are used to evaluate the link between the causal combinations and the outcome. The measures of consistency can range from 0.0 to 1.0, when the degree of membership in a causal combination is less or equal to its corresponding outcome the consistency score is 1.00; when only a few near misses are present the score is slightly less than 1.00; and when many inconsistent scores are present, with some causal combination values greatly exceeding the outcome value, than consistency can drop below 0.50 (p. 134). Scores between 0.0 and 0.75 indicate the existence of substantial inconsistency (ibid: 136) and scores higher than 0.75 indicate substantial consistency. As the study only analysis two causal combinations this strict consistency level is taken to do the analysis on the relevance of the conditions for the outcome. Table 4.2 shows the consistency of both the causal combinations of conditions and they are both more than 0.75, the combination of Ukraine indicates more substantial consistency than that of Morocco. But to know which of the conditions are relevant and have compared with the other conditions the strongest link with the outcome I analyzed the consistency of each condition individually. The tables 4.3 and 4.4 present the consistency score for each condition of the studied countries.

Table 4.3: Consistency of each condition for Morocco

CONDITION	CONSIST
CRED	0.597315
DAC	0.771739
COM	0.666667
SOS	0.598802
ECI	0.789474

Table 4.4: Consistency of each condition for Ukraine

CONDITION	CONSIST
CRED	1.000000
DAC	0.916667
COM	0.666667
SOS	0.598802
ECI	0.952381

For Morocco the ‘credibility of EU accession’ is inconsistent as its consistency score is less than 0.75, whereas the ‘domestic adoption cost’ and ‘economic interdependency’ are slightly higher than 0.75. The economic interdependency condition’s consistency score is also higher than the consistency score (table 4.2) of all the conditions combined. For Ukraine, the test condition ‘credibility of EU accession’ seems to be the driving condition as it has the highest consistency score namely 1.000000. Also the consistency score of the ‘economic interdependency’ and the ‘domestic adoption costs’ conditions are high and near to that of the credibility condition. The other two control conditions are in both the studied countries present and their consistency scores are less than 0.75, thus they were not relevant for the outcome of both the countries. When combining the condition that has the highest consistency score with other conditions the overall consistency score for Ukraine stays the same, but that of Morocco is then lower. In sum, the domestic adoption cost and the economic interdependency conditions seems to be the driving conditions for both the studied countries’ outcome, and the credibility of EU accession seems to be the driving key condition for Ukraine’s outcome. Nevertheless, it still is difficult to draw conclusions or generalization from these findings as there is a

²⁴ For the condition ‘credibility of EU accession’ for Ukraine I put the score .51 instead of .5, because the software couldn’t recode this as 0 neither as 1. The degree in membership is for Ukraine more in than out therefore .51 and not .49.

limited diversity and less evidence to compare and draw conclusions on. The following paragraph discusses the findings of this analytic chapter.

4.5 Conclusion: Empirical Analysis

This chapter started with analyses on political reforms on a large sample of ENP countries. Throughout the first three years after adopting the AP, the political situation of most of these countries didn't change at all or even got worse, and only in three ENP countries positive changes were visible. To analyze these varying outcomes and their relation with the ENP and the causal conditions I did an in-depth study on Morocco (where no changes took place) and Ukraine (where political reforms occurred). By using the analyzing structure of Schimmelfennig et al. (2003) differences and comparisons between these studied countries were observable. The Union is for both the countries very important given the fact that the EU is Morocco's most important trade partner and Ukraine has since its independence formally expressed its desire to join the Union. The studied countries' relation with the EU has been political priority for the last decades for both the Union and these ENP participants. The legal basis for this relation was formed before the ENP; for Morocco it took the form of an Association Agreement (2000) and for Ukraine Partnership and Cooperation Agreement (1998). These facts emphasized the importance of democratic principles and human rights, and the studied countries made some reforms with regard to these areas. Despite these progresses there were still concerns about impartiality of judges, corruption, human rights, and press freedom.

When the EU presented the ENP, which is based on the previous agreements, to its neighboring countries Morocco warmly welcomed it and sees this policy as an opportunity to strengthening its relation with the Union. Ukraine was not as enthusiastic as Morocco and does not see the ENP as an adequate political instrument because it does not offer EU membership perspective. Morocco has showed to be an active and constructive partner in the ENP. However, this country got an average score of (.4) for the degree of compliance, because no or limited progress has been made with regard to democratic principles and human rights in the first three implementation periods. Thanks to the Orange revolution (2004) in Ukraine, political reforms were feasible especially in the first implementation period. Ukrainian government took after this revolution a westward direction towards democracy and annually continued making progress in several actions. Despite its European aspirations it did not really show efforts in implementing key political reform measures such as the constitutional and judicial reform and the fight against corruption. Ukraine would get an average score of (.6) for its degree in compliance as the country more or less adopted the EU liberal actions. The domestic political instability since 2007 and the deepening global financial and economic crises were not conducive to these reforms and slowed down the progress also in Morocco. In both the studied countries obstacles to the freedom of press and demonstrations remain and corruption increased over the years, and these concerns poses a risk to the reforms that these countries already have made under the ENP.

With the use of the fs/QCA I explored which of the EU external governance conditions have impact on the outcome and could explain the limited progress. For Morocco 'economic interdependency' and 'domestic adoption costs' seem to be important conditions for compliance (outcome). The EU is Morocco's most important trading partner and because Morocco is an authoritarian regime where the King still has most power polity reforms may harm Morocco and therefore the domestic adoption costs are high and influence the outcome. As for Ukraine the 'credibility of EU accession' seems to be the most important condition but also 'economic interdependency' and 'domestic adoption costs' are driving conditions. Ukraine has aspirations to enter the Union but still after the Orange revolution (polity and political reforms) Ukraine deals with a power struggle between the president and prime minister which continued unabated. But, like I discussed in the previous paragraph, no general conclusion can be made about the conditions necessity and sufficiency, because of the limited number of cases a large number of possible combinations of causal conditions did not occur. This is also kept in mind in the final conclusion of this master thesis report. The final chapter explains the findings and discusses the sub-questions and the central research question with use of the theory and the empirical analysis.

CHAPTER 5 CONCLUSION

The EU political conditionality is one of Union's most powerful foreign policy tools. All the ENP participants already have been subject to this tool in their previous institutional arrangements with the Union. But the ENP's instrumental framework is different than these previous arrangements as it is a copy of the pre-accession key elements. The Commission expected that this Policy would work as productively as it did in the pre-accession. Schimmelfennig et al. (2003) state from a study, on the impact of EU democratic conditionality on Latvia, Slovakia and Turkey, that a high credibility of EU accession has been necessary, and accompanied by low domestic adaptation costs it has been sufficient for an effective EU political conditionality. Whether these and/or other conditions could explain the varying outcomes and have impact on EU political conditionality's effectiveness in the studied ENP countries, Morocco and Ukraine, was explored in this study with the use of a mix of methods. In this final chapter the answers to the sub-questions and research question are given and are related to the academic literature on EU political conditionality, and the limits of the study are discussed.

The first sub-question was about whether the EU political conditionality works and which conditions have impact on its effectiveness. In the theoretical framework this is discussed and according to several of studies political conditionality did work effective in the enlargement process. The membership incentive seemed to be the main reason why it was successful. Also other conditions which could affect the effectiveness of political conditionality were mentioned, namely the formulation of conditions and benchmarks, ENP's strategic structure, and participants' (economic and political) interdependency, regime type and attitude towards the Union and EU liberal values and norms. To study the effectiveness of EU political conditionality in Morocco and Ukraine I used the conditions of Schimmelfennig and Sedelmeier's EU external governance models as these conditions overlap most of the factors mentioned above. The external incentives model assumes that conditionality will be most effective if credibility of EU accession is high and domestic adoption costs are low, while the social learning model assumes that conditionality will be most effective if commitment to Europe is strong and societal salience and economic interdependence is high.

To answer the second question, whether political reforms occurred in the ENP countries after adopting the AP, I analyzed a large sample of ENP countries with the use of the Freedom House Index. Throughout the first implementation periods it seems that just in three countries, Ukraine is one of these countries, improvements in democratic principles and human rights were visible. In the other countries, like Morocco, no changes occurred or the political situation even got worse. Through an in-depth study on Morocco and Ukraine I studied how these countries with varying outcomes experienced the first three implementation periods. Comparing the analysis of these countries we could conclude that there are differences and some similarities between Morocco and Ukraine. Ukraine made more implementation progress than Morocco, but despite these progresses obstacles to the freedom of press and demonstrations remain and corruption increased over the years in both the studied countries.

Morocco warmly welcomed the ENP and sees this policy as an opportunity to strengthening its relation with the Union and to profit from the technical and financial assistance that the EU has offer. This North African country showed to be, according to the Progress Reports, an active and constructive partner, but it made no or limited progress with regard to democratic principles and human rights in the first three implementation periods. Ukraine on the other hand was not as enthusiastic as Morocco since it does not see the ENP as an adequate political instrument to reach EU membership. This former Soviet Republic made especially in the first implementation period some visible progress thanks to the Orange revolution which made reforms towards democracy feasible. Despite Ukraine's EU aspirations, the government did not really show efforts in implementing key political reform measures such as the constitutional and judicial reform and the fight against corruption. What are the driving conditions that could explain the implementation process of these ENP countries?

The steps of the fuzzy set Qualitative Comparative Analysis are used to analyze which of the EU external governance conditions could explain and have impact on the degree of compliance. In both the studied countries the control variables 'commitment towards Europe' and 'societal salience' were

not relevant for the compliance, but the 'economic interdependency' and 'domestic adoption cost' conditions seem to be the driving conditions. For Ukraine, the 'credibility of EU accession' has the highest consistency score and is for this country the driving key condition for compliance. Although most of the combinations of conditions did not occur (limited), because I used a limited number of cases, the academic literature confirms that especially domestic adoption costs and membership incentives could explain the varying outcomes, the compliance degree and the limited effectiveness of EU political conditionality. For Morocco, the high economic interdependency may be a reason why the country adopted certain parts of the EU liberal actions, but the high adoption costs may explain why the progress was so limited. Ukraine's EU membership aspirations and its increasing economic cooperation with the EU might be reasons why the government made implementation progress. However, the progress was limited because of the political instability caused by power struggle in the government and because of EU's vagueness about Ukraine's prospects to join the Union. For a new study I would suggest to test the conditions on all the ENP countries that adopted AP, through this way more combinations of conditions to outcome could be analyzed and a more valid conclusion could be drawn.

The lack of international standards and the required changes in state's structure, institutions and power might explain the obstacles to democratic principles and good governance (corruption increased) that still remain in both the studied countries, even after adopting certain reforms. The EU does not have much solid ground to push these countries to implement reforms with regard to these core liberal values. The core principles of democracy and good governance cannot just be installed overnight as it takes for authoritarian and semi-democratic regimes much more time to make effective reforms, like the Ukraine case exemplifies. During the democratic transition (Orange revolution) in Ukraine, authoritarian ideologies transition lost their legitimacy but the period after the revolution became destabilizing as the shift of certain powers of political actors resulted in a power struggle between president and prime minister and continues to be unabated. The credibility of EU accession seems to be a crucial factor for those countries that have (strong) membership aspirations, like Ukraine. Domestic adaptation costs are high in authoritarian and semi-democratic countries, but they become higher when the benefit (carrot) is low. There has to be a balance between cost and benefit in order for compliance degree to be high and thus EU political conditionality to be effective. The ENP is directing a heterogeneous group of countries with different agendas and interests. It is not an easy task to balance these interests and it is too soon to offer the golden carrot of EU membership to those countries that want to join the Union. Nevertheless, if the EU wants to keep the ENP countries close, the EU must not neglect the perspectives of a large part of its neighbouring countries and has to come with better carrots. In order to explore which kinds of carrots would be suitable for an effective EU political conditionality under the ENP further research on the different kinds of carrots has to be made.

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APPENDIX

Table A: Ukrainians' (2006) and Moroccans' (2007) attitude towards the importance of democracy.

BASE=1976 Weight [with split ups]		Country		
		Total	Ukraine	Morocco
Importance of democracy	Not at all important	1.0 %	1.2 %	0.9 %
	2	0.6 %	0.8 %	0.5 %
	3	1.1 %	1.7 %	0.5 %
	4	2.1 %	3.2 %	1.1 %
	5	6.6 %	7.2 %	6.1 %
	6	5.0 %	6.6 %	3.5 %
	7	7.3 %	9.7 %	5.2 %
	8	10.5 %	13.8 %	7.6 %
	9	14.3 %	18.4 %	10.5 %
	Absolutely important	51.5 %	37.5 %	64.3 %
	Total	1976 (100%)	943 (100%)	1033 (100%)
	Base for mean	1976	943	1033
	Mean	8.6	8.1	8.9
Standard Deviation	2.02	2.12	1.86	

Table B: EU's share in Morocco's imports and exports

Period	Imports	Variation (% y-o-y)	EU Share of total Imports (%)	Exports	Variation (% y-o-y)	EU Share of total Exports (%)	Balance	Trade
2004	8.454	7,3	57,9	6.197	-0,2	75,5	-2.257	14.652
2005	9.061	7,2	54,1	6.520	5,2	73,0	-2.541	15.581
2006	11.479	26,7	57,7	6.570	0,8	62,3	-4.908	18.049
2007	13.617	18,6	57,3	7.340	11,7	62,2	-6.277	20.958
2008	15.854	16,4	58,0	7.617	3,8	57,0	-8.237	23.471
2008Q1	3.846	-	58,6	2.018	-	63,0	-1.827	5.864
2008Q2	4.312	-	60,9	2.154	-	58,6	-2.158	6.465
2008Q3	4.018	-	58,4	1.846	-	55,6	-2.172	5.865
2008Q4	3.678	-	54,1	1.599	-	50,5	-2.080	5.277
2009Q1	-	-	-	-	-	-	-	-
2009Q2	-	-	-	-	-	-	-	-
2009Q3	-	-	-	-	-	-	-	-
2009Q4	-	-	-	-	-	-	-	-
Average annual growth (2004-2008)		17,0			5,3			38,2

Table C: EU's share in Ukraine's imports and exports

Period	Imports	Variation (% y-o-y)	EU Share of total Imports (%)	Exports	Variation (% y-o-y)	EU Share of total Exports (%)	Balance	Trade
2004	7.676	10,8	33,0	8.868	15,4	34,0	1.192	16.543
2005	9.858	28,4	33,8	8.217	-7,3	30,2	-1.641	18.075
2006	20.092	103,8	43,3	8.970	9,2	28,7	-11.122	29.062
2007	24.597	22,4	44,9	11.289	25,9	29,9	-13.308	35.887
2008	27.662	12,5	40,8	13.061	15,7	28,5	-14.601	40.722
2008Q1	6.571	-	42,8	2.817	-	28,8	-3.754	9.388
2008Q2	7.258	-	40,9	3.547	-	30,6	-3.712	10.805
2008Q3	7.935	-	41,9	3.633	-	28,8	-4.302	11.568
2008Q4	5.897	-	37,4	3.064	-	25,9	-2.833	8.962
2009Q1	-	-	-	-	-	-	-	-
2009Q2	-	-	-	-	-	-	-	-
2009Q3	-	-	-	-	-	-	-	-
2009Q4	-	-	-	-	-	-	-	-
Average annual growth (2004-2008)		37,8			10,2			#NUM!