# EUROPEAN POLICY REVIEW

# EUROPEAN POLICY REVIEW
## Volume 2, Number 2

In 2014, the European Student Think Tank established the *European Policy Review*, a peer-reviewed journal. The journal aims to publish academic papers by undergraduate and postgraduate students on topics related to policy-making in the European Union. All papers are submitted to an anonymous peer-review process conducted by graduate and doctoral students. This year presents the second volume and publication two of the *European Policy Review*. The journal is to be published annually.

## EDITORIAL POLICIES

### THE REVIEW PROCESS
In order to determine the submitted papers' suitability for publication, the journal applies the requirements of a peer-review process as follows.

All submitted papers are read by the editorial team. Only those papers that are most likely to meet the quality criteria and are judged to be of potential interest to the intended audience are sent for formal review, typically two reviewers. Reviewers are expected to identify weaknesses in argumentation or content-related errors, assess the work's novelty and offer suggestions for improvement. On the basis of their evaluation, reviewers give advice to the editorial team by choosing from among several possibilities:

- Accept unconditionally
- Accept conditionally on minor changes
- Revise and resubmit
- Reject

Each reviewer returns a peer-review form to the editorial team. The editorial team evaluates the reviewers' comments before passing a judgement back to the authors. Next to providing feedback to the authors, the editorial team edits the papers' content and checks the grammar, spelling and style. The authors of the papers modify their submission in line with the editors' comments and send a revised version back to the editor; this process is repeated until the editor is satisfied and the paper is accepted by the Editor-in-Chief.

### SELECTING PEER REVIEWERS
Peer reviewers are selected by the Editor-in-Chief on the basis of their level of expertise and their ability to perform an impartial review. Reviewers need to be professional academics or Master's/PhD students with knowledge about the EU and European affairs and/or the paper subject.

### ANONYMITY
Articles for submission are anonymised before entering the review process. We also ask reviewers not to identity themselves to authors in order to maintain referee confidentiality and to preserve the anonymity of the review process.

### LICENSE TO PUBLISH
This journal is published under the Creative Commons License Attribution-NonCommercial-NoDerivatives 4.0 International (CCBY-NC-ND 4.0). Please cite and use accordingly.

### DISCLAIMER
The editorial board cannot be held responsible for errors in information contained in this journal or any consequences arising from the use of them. The views and opinions expressed do not necessarily reflect those of the editorial board.

### EDITORIAL BOARD

### CONTACT

European Student Think Tank
Email: editorinchief@esthinktank.com
Web: http://esthinktank.com
Twitter: @ESThinkTank
Facebook: European Student Think Tank
Youtube: European Student Think Tank

# TABLE OF CONTENTS

# OUR PARTNERS

# EDITOR'S NOTE

By **TAWANDA MUNYUKI**

The rising of right-wing populism, Brexit, trade war tensions with the USA, lack of Cybersecurity, migration crisis and climate change are undoubtedly many of the complex challenges that the European Union of today is facing. A gradual rise in misinformation and 'fake news and deep fake news' has not made things any easier either. In this context, the European Student Think Tank has only heightened its role as a vital platform for students to openly engage with one another and share different views on these and other issues. Our most tangible product is what lies in front of you: The European Policy Review, Volume 2, Number 2.

The European Policy Review is a peer-reviewed journal that publishes academic, student-written papers on a wide range of topics related to European Union policy and European affairs. It has an international and multi-disciplinary character. The contributors to, and makers of, this journal are students from various countries, with different backgrounds and perspectives. The journal consciously chooses to cover a broad spectrum of topics and to incorporate multiple disciplines, thereby reflecting the numerous angles from which EU policy and European affairs can be studied and discussed. A team of qualified editors and peer reviewers has examined all submitted papers and has made a careful selection on the basis of academic quality and potential contribution to the journal. The editors and peer reviewers have provided the authors of the selected papers with extensive feedback. On the basis of those comments, the authors have been able to revise their paper and produce an improved result.

Volume 2.2 of the European Policy Review does not only reflect the issues the EU is facing internally but also focuses on its relations with other, non-EU countries and their implications for EU. This year's authors will provide you with critical analyses, stirring insights, and relevant policy recommendations. To start off, Caitlin Masoliver evaluates the obstacles to the effectiveness of the European Neighbourhood Policy analysing the incoherent nature and interests of member states. The author discusses the limitations of the ENP's success, and does not an attempt to render the ENP a failed and futile policy. The author goes on to argue that the central factors contributing to the limited success of the ENP in its encouragement of democratic reform, good governance, adherence to the rule of law and implementation of human rights is due to the diverse interests of member states for instance the policy agriculture can be used as a concrete example. Alice Kattago takes a look at the rise of right wing populism in contemporary Europe. She argues that people are voting more and more for parties that preach nativism, xenophobia and isolationism. This comes as a stark contrast to the post-1945 world order that emphasised cooperation, liberal values and globalisation. She concludes that populism is a "thin-layered ideology" that can be used in tandem with other ideologies. Populist leaders claim to represent the general will of the people, while at the same time creating a struggle between the political elites and the true people. Christina Keßler analyses the European External Action Service through the Principal-agent theory. She argues that this theory helps to shed more light on why the goal of a common culture within the EEAS is not pursued with more enthusiasm by EU member states. It can be conceptualized that the EEAS is an agent established by EU member states (principals) in order to facilitate cooperation. However, it is expected that principals will keep track of the agent's action in order to make sure that the latter is not pursuing goals which are not in the principals' interests. However, organizational incohesiveness is a major encumbrance in the EEAS.

Károly Gergely evaluates whether international conditionality worked in Eastern and Central Europe (ECE) and examines the potential impact of conditionality on democratic backsliding in the region for example Poland and Hungary. The author argues that viewing conditionality as a 'success' or as a 'failure' represents a problematic dichotomy which misconstrues the complex political and social circumstances of both the EU and the ECE region. Mirta Bašelović discusse the EU conditionality in the Western Balkan countries in particular Serbia. She argues that, the EU currently lacks both the adequate tools and political cohesion to help Serbia achieve the goals set before it. The EU's negotiation strategy also lacks clear rules and guidelines for improving and safeguarding the democratic principles and the rule of law, which gives little confidence in the likelihood of rapid and significant improvement in the Western Balkans. Hannah Brandt, analyses the European Neighborhood Policy and Armenia. She argues that the 2018 'Velvet Revolution' and changes in governance in Armenia, as well as increased implementation of EU frameworks would suggest an Armenian draw towards the EU. This has though, in practice not been the case. However, Armenia continues to implement Comprehensive and Enhanced Partnership Agreement, given Armenia's persistent membership in the Eurasian Economic Union and Russia's dominance in Armenia – this entangles the EU-Armenia relations. Dmitry Erokhin evaluates the key problems of the Eurasian Economic Union, which lacks of shared values. He argues that unlike the European Union, the Eurasian Economic Union is not united by common liberal values and rests either on military interests or is linked to the economic situation in Russia. Lastly, Eric Adamson and Adriana Mara discusses the security challenges and threats that Europe is currently facing.

In the name of the European Student Think Tank, I can say that we are more than happy with the increasing number of students who actively get involved in European politics. With the second issue of this second volume of the European Policy Review, we hope to continue with an inclusive and multidisciplinary collection of students' perspectives that also positions Europe in the bigger picture of the world it is surrounded by. It has truly been an honour to work with such enthusiastic, bright young minds on this publication and it makes us extremely optimistic for the future of the European Student Think Tank and for Europe at large. We hope you will enjoy reading this journal, and we warmly welcome your comments and suggestions for future editions.

Tawanda NC Munyuki,
Editor-in-Chief

# Cohesive Member State Interests as Central to the Success of EU Foreign Policy?

## Evaluating the Obstacles to the Effectiveness of the European Neighbourhood Policy

By *CAITLIN MASOLIVER*

Caitlin Masoliver is an MA candidate at King's College London and holds a Bachelor's degree with Honours in International Relations from University College Maastricht. Her interests lie in public international law, transitional justice and peace processes, foreign policy analysis, and EU affairs.

*This research concerns itself with the claim that the European Union's Neighbourhood Policy (ENP) is prevented from being effective due to the diverse and incoherent interests of its member states. This paper argues that while diverse member state interests do indeed hinder the ENP's ability to meet its goals, there are other internal and external factors that pose a greater threat to the ENP's success, which should be considered when assessing its effectiveness. Specifically, these are the EU's consistency in prioritising stability over reform in its foreign policy output with its neighbourhood states, and the resistance of the EU neighbourhood states themselves against the foreign policies of the EU. In arguing such, this research does not aim to render the ENP obsolete or 'doomed'; rather, it hopes to offer a critical analysis of the ENP from which lessons can be drawn, and to contribute to the body of scholarship surrounding the EU's foreign policy with its neighbourhood states.*

Key words: European Union; European Neighbourhood Policy; European Foreign Policy; The Middle East; Foreign Policy Analysis; European Affairs.

## INTRODUCTION

With the accession of ten additional member states in May 2004, the boundaries of the European Union changed, bringing a new set of neighbours to its doorstep. In response, the EU launched the European Neighbourhood Policy (ENP), which was to foster "the EU's wish to build on common interests with partner countries of the East and South…including in the promotion of democracy, rule of law, respect for human rights, and social cohesion" (EEAS, 2016). In the initial months following its launch, the ENP was met with enthusiasm and

optimism. Eighteen months into the project, the European Commission praised the ENP's work in offering a "solid basis for strengthening ties between the EU and its neighbours" (European Commission, 2006). The years following the policy's launch, however, have seen a shift away from the initial optimism over the ENP's chances of success. Central to this is a general consensus in academia over the ENP's failure and continuous inability to bring about democratic change (Börzel & Hüllen, 2014, p.1034; Seeberg, 2008, p.82). This was brought into particular focus for the Middle East and North African (MENA) neighbourhood region in the aftermath of the 2011 Arab Spring; with widespread protest and instability dispersed across the region, a prevalence of human rights abuse, obstacles to rule of law and persistence of authoritarian regimes have brought the role of the ENP into question. While this has been accounted for by various factors, a core reason many cite as pivotal to the ENP's impeded success is the diverse interests of member states and consequential lack of internal cohesion. With this in mind, this essay will aim to answer the question of to what extent the success of the ENP rests on internal incoherence of the EU. Ultimately, it will be argued that while a lack of internal coherence has indeed been problematic for successful implementation of the ENP's goals, as will be shown, there are other internal and external factors that, despite the presence of strong member state cohesion, constitute obstacles to success. These should be addressed if one wishes to gain a holistic understanding of the policy's shortcomings.

In order to argue this, the essay will begin by outlining the aims and objectives of the ENP, to provide criteria by which to measure its success. Following this, the role of diverse member state interests in hindering the ENP's success will be presented. The essay will then diverge from this angle of argumentation and present two pivotal factors that jeopardise the success of the ENP *despite* member state cohesion; on an *internal* level, the difficulty the EU has in balancing its priorities between stability and reform; and on an *external* level, the resistance from the recipient neighbourhood states, which are often unresponsive to the EU's incentives and antagonist to the Union as an imposing and paternalistic force.

**The European Neighbourhood Policy**

In order to evaluate the success of the ENP and the obstacles that prevent it from attaining such, it is necessary to provide criteria by which to measure. One way of doing so is to weigh the extent to which the *de facto* output matches the desired output from the initial conceptualisation of the policy. In the case of the ENP, its initial launch in 2004 was set as a framework to govern the EU's relations with its sixteen new Eastern and Southern neighbours. The aim was to encourage closer political association between the Union and its neighbours, through an increased level of economic integration and political dialogue (EEAS, 2016). In the wake of the 2011 Arab Spring, four core priorities for the ENP to encourage and monitor in its neighbouring states were affirmed; good governance, economic development for stabilisation, security, and migration and mobility (EEAS, 2016). While the ENP adopted a country-specific, bilateral approach to its implementation of this policy in the form of country-specific 'Action Plans', the overarching goal of the ENP was cited as a commitment to seeing the EU's foundational norms and principles reach its neighbours. This was presented as a positive-sum game, not only beneficial for the

neighbouring states and the improved quality of life for their citizens, but also vital in increasing the economic, political and social security of EU member states themselves. The ENP was thus communicated by EU officials as being based on the premise that "by helping our neighbours, we help ourselves" (Barbé & Johansson-Nogués, 2008, p.87).

While this essay aims to bring forth a discussion on the limitations of the ENP's success, this is not an attempt to render the ENP a failed and futile policy. There is much tangible evidence to demonstrate the ENP has had success in supporting its neighbourhood's reforms towards democracy, measured by several criteria. For instance, according to Paragi (2015), surveyed public opinion across states in the MENA region saw an overall rise in support towards the role of the EU after 2011. The EU's response to the Arab Spring and its assistance towards development was seen more positively in states across the Mashreq region, with Egypt as the exception (Paragi, 2015, p.67). Further, the ENP had success in encouraging local-level political and democratic engagement; the 2011 review of the ENP saw a shift from bilateral and multilateral governmental dialogue towards increasing consultations of local civil society organisations, encouraging bottom-up initiatives of democratic reform and promoting the engagement of political parties, NGOs, trade unions, and social activists. This distancing from the hitherto one-size-fits-all approach of the ENP towards a focus on the local level of neighbourhood states was a welcomed shift towards encouraging political engagement of civilian groups (Hatab, 2019, p.5). Despite this, there remains a general consensus in scholarly work surrounding the ENP - particularly in the years following the 2011 Arab Spring - that the policy has failed in fostering democratic reform (Börzel & Hüllen, 2014, p.1034; Seeberg, 2008, p.82). Where consensus is harder to reach is in *why* the ENP has failed to do so. A significant body of literature has identified a lack of cohesion within the Union itself for the failings of the ENP, with diverse member states preventing *de jure* policies from being implemented *de facto*. While there is indeed substance to this claim – as will be elaborated on in the next section – this is merely one element of the limitations faced by the ENP. In order to successfully reform the policy, it must be recognised that obstacles block the policy from being effective even in cases where member state interests are aligned and collaborative in their efforts.

**Obstacles to Success of the ENP: Internal Incoherence and Diverse Interests Amongst EU Member States**

Within academic literature related to the project of the European Union, there is a significant body of work related to the concept of *coherence*. While no single, all-encompassing definition exists, it can be understood as defined by the Union itself, that cohesion exists where there is institutional coordination and a shared understanding of the issues and topics at hand (Carrapico & Barrinha, 2017, p.1256). The very basis of the ENP stems from the idea of coherence of EU member states, in that it embodies a foreign policy output from the Union as a multilateral body and not from fragmented foreign policies of individual member states. Beyond collaborated efforts in launching the ENP, however, there is much substance to the claim that diverse interests of EU member states – in other words, their lack of internal cohesion – has been and continues to be a hindrance to the policy's success.

One of the central ways in which diverging interests of EU member state interests has obstructed the success of the ENP is through the issue of agriculture and its relation to fostering economic prosperity in the Union's neighbourhood. Within the ENP's initial framework, promoting economic growth, reform and integration of neighbourhood states into the EU's single market was a prerequisite to promoting overall prosperity in the neighbouring states (European Commission, n.d.). In encouraging economic growth and integration, it was hoped that the EU would be able to encourage greater investment in the social sectors of its neighbourhood states, reduce poverty through higher employment rates and raised wages, and decrease the prevalence of corruption. This promise of economic prosperity and growth was also seen as incentive for typically authoritarian regimes to implement domestic reform in the 'more for more' policy that offered more financial aid and economic benefits for more regime compliance (EEAS, 2016). It can be argued, however, that the diverse member state interests regarding agriculture have at times prevented the 'more for more' principle from materialising. The state of Morocco, for instance, illustrates a case where a lack of internal cohesion within the EU has impeded the ENP's aim of encouraging reform related to democracy, good governance, rule of law, and human rights through economic prosperity. In its trading relations with the EU, Morocco enjoys a special status amongst the MENA neighbourhood states. With preferential treatment for exports of agricultural and fishery products, Morocco makes up 1% of the EU's imports of agricultural goods, making it a small yet significant trading partner in EU trade relations and the largest trading partner in the region (López, García-Álvarez-Coque & Azcárate, 2013, p.4).

However, negotiations over deepening the economic integration of Morocco into the EU single market reflected divides between member state interests concerning agricultural policy, with certain members relying on agriculture more for their economy than others. Throughout the Southern member states of the EU, Lopez et. al (2013) report of antagonistic sentiments among the agricultural production sectors towards the agri-food trade agreements in the neighbourhood as unfair and discriminatory against domestic EU producers (Lopez et. al, 2013, p.7). This narrative is reflected well in the negotiation process over the 2012 EU-Morocco agreement concerning reciprocal liberalisation measures on agricultural and fishery products; the formal Motion for a Resolution recalled "the EU's commitments following the Arab Spring, to assist the transition of Southern Mediterranean countries in the process of democratisation", welcoming "the agreement as a positive step in supporting political stabilisation" in Morocco (European Parliament, 2012). The controversy sparked by the Resolution and the opposition it faced during the negotiation process demonstrates how the diverse member state interests may stand in opposition to the goals of the ENP; there was great concern raised over the impact this would have on European producers, particularly for Southern member states, such as Spain and Italy, who constitute the two largest fruit producers of the EU (Eurostat, 2018). While a heavy weight of opposition within the European Parliament was due to the controversial inclusion of Western Saharan products in the agreement, it also reflected a long-standing divergence of interests within the EU concerning protection of agricultural rights. This mirrors what Chambon (2011) coins as Community Preference Erosion, where the increase of bilateral and regional preferential trade agreements between the EU and non-EU states has weakened the preference for internally produced products, leading to growing tensions between members (Chambon, 2011, p.29). This demonstrates the negative impact that diverging member state interest has had on the ENP's success in achieving its objective of promoting political and social prosperity in the neighbourhood through economic reform and development.

While this is merely one example, it serves to illustrate a hindrance of the ENP in translating its *de jure* aims into concrete *de facto* reform, when met with opposition from its member states on an issue as sensitive to the Union as agriculture. As will be shown, however, the success of the ENP cannot be said to hinge on internal coherence of member states alone; there are instances where aligned member state interests have met external and internal obstacles that greatly inhibit the ENP's success.

### The Effectiveness of the European Neighbourhood Policy: Beyond Incoherence Internal Factors Inhibiting Success: Prioritising Stability over Reform

A core contributing factor to the limited success of the ENP on an internal level of the EU is the great difficulty it has had as a foreign policy instrument in deciding on its priority of implementation in the region. In this section, it will be argued that there is an EU-wide struggle in prioritising between the two often antagonistic roads of *stability* versus *reform*. As will be explained, the ENP has often prioritised maintaining the status-quo in its neighbourhood region over encouraging reform and democratic change, for the sake of keeping the region stable, minimising the outbreak of conflict, and curbing migration flows. This has ultimately impeded the ENP's success despite the collaborative efforts of its member states.

On the level of rhetoric, the ENP and its constitutive member states are vocally dedicated to promoting democratic norms in its neighbouring states. In the wake of the Arab Spring, the EU publicly expressed support that was reflective of the aims of the ENP; European Commission President José Barroso, in response to the political activism and protests dissolving throughout the region, said "from Brussels, I want to say this particularly to the young Arabs that are now fighting for freedom and democracy. We are on your side!" (Barroso, 2011). This complements the narrative of the ENP's pledge to actively support the implementation of democracy, rule of law and good governance in its neighbourhood states (EEAS, 2016). This is not only for the citizens of the neighbourhood's benefit, but for the benefit of the EU itself, where authoritarianism and corruption are cited as major sources of political instability, illegal immigration, transborder crime and energy security that directly threaten EU member states (Börzel & Hüllen, 2014, p.1033). When analysing the extent to which this narrative is reflected in policy output of the ENP, however, it becomes clear that a prioritisation of *stability* has prevented the EU from achieving this pledge. One example of this is the success of the Palestinian party Hamas in the 2006 Palestinian elections, where they emerged as the majority party with 76 of 132 seats in the chamber (BBC, 2006). The EU has been criticised for failing to acknowledge or engage with Hamas in the wake of this electoral success; rather, the European Court of Justice ruled that they remain on the EU-wide terrorist organisation blacklist, and overturned a previous ruling that annulled asset freezes and sanctions (Dearden, 2017). Barbé and Johansson-Nogués note how, for some, the EU's refusal to acknowledge what many in the region considered to be a democratically

legitimate political organisation has been seen as exacerbating tensions within the Israeli-Palestine conflict; in refusing to engage in open dialogue with Hamas, supporters of the group cite the EU as deepening tensions between the factions of the conflict through demonstrating bias (Barbé & Johansson-Nogués, 2008, p.94). While the EU's reluctance to engage with a group as internationally controversial as Hamas is not able to be concisely summarised here, critics of the ENP's success note how the EU's lack of will to disrupt the status-quo and established balance of power can be seen as fuelling conflict in the region (Börzel & van Hüllen, 2014, p.1045; Barbé & Johansson-Nogués, 2008, p.94).

Further supporting the idea that the ENP's success has been hindered by the EU's prioritisation of stability over reform is visible in the member states' reluctance to fund oppositional parties that pose a democratic challenge to the established authoritarian elite. A central element of a democratically organised society is the space for and presence of oppositional groups, an element the ENP claimed to encourage when it outlined its role in achieving closer political association between the EU and its neighbourhood state regimes, and fostering good governance and democracy (EEAS, 2016). In promoting the emergence of political oppositional groups, particularly in states where strong authoritarian regimes have traditionally quashed any instance of opposition, the EU has shown reluctance. For instance, within the negotiations of the 2014-2020 EU budget, there was unwillingness to allocate funds to support alternative political parties opposing authoritarian regimes in the MENA region, despite individual member states such as Sweden opting domestically to do so (Barbé & Johansson-Nogués, 2008, p.92). Instead, the Euro-Mediterranean policy agenda has been dominated by aims to combat cross-border terrorism, strengthen border controls, and to contain illegal immigration (Ayadi & Mahdi, 2013, p.2).

In this way, the EU can be understood as prioritising its own internal security through stability in the MENA region, over pushes for democratic reform and change that may upset the status-quo. While the EU can be seen supporting democratic change rhetorically and through several elements of its ENP, such as its 'more for more' policy, there was a lack of material engagement with the oppositional parties that formed during the Arab Spring. The return to authoritarian regimes that the MENA region has experienced since 2011 demonstrates this; in 2013, only three out of sixteen states held competitive elections. The rest either had no/heavily restricted elections, one party elections, or a monarchic rule, to whom the EU continued to provide aid and funding despite their 'more for more' conditionality policy (Lust, 2012, p.236; Paragi, 2015, p.73). This is illustrative of the EU's tendency to pursue regional stability and continuity over the more destabilising and risk-prone calls for democratic reform.

**External Factors Inhibiting Success: Resistance from Neighbourhood States**

A further contributing factor central to the impeded success of the ENP is the external phenomenon of resistance of neighbourhood states to implement the reforms encouraged by the EU. This occurs despite member state cohesion and shared interest, and is a key obstacle to the ENP's ability to successfully achieve its objectives.

One key element of the ENP that has been seen fostering neighbourhood resistance is the aforementioned 'more for more' policy. Through this, the EU pledged to develop stronger partnerships with neighbour states that made progress towards democratic reform (European Commission, 2013). Incentives offered to neighbourhood states took the form of greater economic integration, financial compensation, and increased development aid. Since its implementation in 2011, however, a critique has arisen over the asymmetry of interests underlying this incentivising policy between the EU and its neighbourhood states. The norms and values of peace, democracy and human rights are presented by the EU as deeply entrenched in the "more" they request from their neighbours. In line with Manners (2002) conceptualisation of the EU as a normative power, the EU presents itself as - at least in part - encouraged by its commitment to see the norms of democracy, peace, and the upholding of human rights reach internationally (European Parliament, 2004, p.1). According to Gstöhl (2015), a major hindrance to the successful implementation of the 'more for more' policy is due to the unwillingness and uninterest of neighbourhood regimes to absorb these very norms and values (Gstöhl, 2015, p.3).

Indeed, resistance from neighbourhood states has occurred since the launching of the policy; in Egypt for instance, distribution of official propaganda against foreign intervention in domestic Egyptian affairs was seen in parallel with a sharp decline in public support for the EU's approach to development aid. The Egyptian Ministry of Planning, in response to the EU's decision to suspend EU budgetary aid after the military takeover in 2013, said "the EU appoints itself as a judge or guardian […] it interferes in the management of the transitional phase. This is an unacceptable and incorrect approach […] rejected by the Egyptian people" (Paragi, 2015, p.69). This demonstrates a discrepancy between the incentives the EU offers through its 'more for more' policy under the ENP, and what receiving neighbourhood states are truly incentivised by. The role of the EU as a normatively superior "guardian" is met in the case of Egypt with strong resistance, rather than an incentive to adopt their norms for financial reward. While the EU pushes for its neighbourhood states to become full market economies, tackle terrorism, and implement human rights law, the normative incentive underlying these is not necessarily attractive for neighbour governments (Grabbe, 2004, p.2). This is particularly so when one considers the *cost* traditionally authoritative regimes would incur if they were to cooperate with ENP conditionality; loosening restrictions on media and press, providing space for political opposition, and restricting police brutality against outspoken civilians all pose the risk of jeopardising authoritarian strangleholds on power. For the 'more for more' principle to encourage democratic reform, critics argue that the incentives they offer must be more attractive than they currently stand. A commitment to EU norms and trade concessions are not enough (Grabbe, 2004, p.3; Paragi, 2015, p.62).

This resistance from Egypt is not an isolated case. Amongst the overwhelming support in the MENA region for the EU's aid and assistance towards development discussed earlier, there exists an antagonistic decline in opinion towards the Union's credibility as a foreign policy implementer. In certain cases, their presence in the region has been perceived as interest-driven rather than out of genuine concern for their neighbours. This is particularly so for Jordan, where the active pro-Islamist political movement has framed the EU as biased against Hamas and as hypocritical in where it offers its support; through this image, they rally against Jordanian civil society accepting any EU funds towards projects in the country (Barbé & Johansson-Nogués, 2008,

p.94). Particularly for Egypt and Jordan, since 2011 there has been a gradual decline in approval and positive feedback of the EU's role in assisting development policies together with scepticism towards foreign intervention (Paragi, 2015, 67). Considering this, the success of the ENP in encouraging bilateral approaches to democratic reform seems limited, where neighbourhood states meet the EU with resistance against reform being enforced through a paternalistic and asymmetrical manner.

**Conclusion**

To summarise, this essay has aimed to present some of the central factors contributing to the limited success of the ENP in its encouragement of democratic reform, good governance, adherence to the rule of law and implementation of human rights. To acknowledge the claim that with such diverse interests amongst member states the ENP can never be a success, the case of diverging interests related to agriculture within the EU has been used to show there is indeed substance to this claim. Moving beyond this, however, the author has aimed to show that the ENP faces issues beyond member state cohesion that threaten its success. These issues work both internally and externally to the Union; first, with the EU's prioritisations of stability over reform, there has been an engagement with and protection of the status quo for the sake of minimising destabilisation of the region, which can be argued as contradictory to the projected aims of the ENP. Secondly, it has been argued that the ENP faces external hindrance to achieving its success through the resistance of the EU's neighbourhood state regimes in adopting democratic reforms. While this resistance is the result of several factors, this essay has offered two potential explanations; a desire of authoritarian regimes to maintain their stranglehold on power, and the perception amongst certain neighbourhood states of the EU as a paternalistic and imposing figure.

In bringing these points to light, it is not the intention of the author to render the ENP a failed and useless policy. The ENP has had tangible success, and the significant support within the MENA region towards the EU as contributing to their countries' development discussed earlier is testament to this. By bringing forward the obstacles facing the EU, this essay has intended to look critically at the areas where the ENP's policy outputs are meeting resistance. In doing so, it is hoped that focal points for future reform of the ENP have been raised, and to expand beyond literature that places emphasis on the role of individual member states and their diverse interests as the main cause of limited success of the ENP. It has been argued here instead that it is rather a complex interplay between the internal and external levels to the Union that have hindered the ENP's success.

**REFERENCES**

Ayadi, R., & Mahdi, A. (2013). Human Capital, Inequality and Migration in Southern and Eastern Mediterranean Countries: Towards a Coherent Policy Agenda. *MEDPRO* (8), pp. 1-6.

Barbé, E., & Johansson-Nogués, E. (2008). The EU as a 'Modest Force for Good': The European Neighbourhood Policy. *International Affairs (Royal Institute of International Affairs 1944-), 84*(1), pp. 81-96.

Barroso, J. (2012). Statement by President Barroso on the situation in North Africa. *European Commission: Press Release Database.* Retrieved from http://europa.eu/rapid/press-release_SPEECH-11-137_en.htm?locale=EN

BBC. (2006). Hamas sweeps to election victory. *BBC News.* Retrieved from http://news.bbc.co.uk/1/hi/world/middle_east/4650788.stm

Börzel, T., & Hüllen, V. (2014). One voice, one message, but conflicting goals: cohesiveness and consistency in the European Neighbourhood Policy. *Journal of European Public Policy, 21*(7), pp. 1033-1049.

Carrapico, H., & Barrinha, A. (2013). The EU as a Coherent (Cyber)Security Actor? *Journal of Common Market Studies, 55*6), pp. 1254-1272.

Chambon, N. (2011). Is the CAP grounds for European disunion? An assessment of the solidarity mechanisms created by the CAP and their relevance after 2013. *Notre Europe: Policy Paper, 45,* pp. 1-48.

Dearden, L. (2017. Hamas declared a terrorist organisation by the European Court of Justice. *The Independent.* Retrieved from https://www.independent.co.uk/news/world/europe/hamas-terrorist-organisation-ecj-european-court-of-justice-eu-uk-palestinian-israel-a7860301.html

EEAS (European Union External Action – European External Action Service). (2016).

European Neighbourhood Policy (ENP). *EEAS.* Retrieved from https://eeas.europa.eu/diplomatic-network/european-neighbourhood-policy-enp/330/european-neighbourhood-policy-enp_en

European Commission. (n.d.). The Policy: Frequently Asked Questions (FAQ). *European Commission.* Retrieved from http://ec.europa.eu/world/enp/faq_en.htm#1.1

European Commission. (2006). Communication from the Commission to the Council and the European Parliament on strengthening the European neighbourhood policy. *EUR-Lex: Access to European Union Law.* Retrieved from https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52006DC0726

European Commission. (2013). European Commission Memo: European Neighbourhood Policy (ENP) – Fact Sheet. *European Commission: Press Release Database.* Retrieved from http://europa.eu/rapid/press-release_MEMO-13-236_en.htm

European Parliament. (2004). *The European Neighbourhood Policy.*

European Parliament. (2012). MOTION FOR A RESOLUTION: European Parliament resolution on the agreement between the EU and Morocco concerning reciprocal liberalisation measures on agricultural products and fishery products. *European parliament.* Retrieved from http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+MOTION+B7-2012-0048+0+DOC+XML+V0//EN&language=EN

Eurostat. (2018). Agricultural Production – Crops. *Eurostat: Statistics Explained.* Retrieved from https://ec.europa.eu/eurostat/statistics-explained/index.php/Agricultural_production_-_crops

Grabbe, H. (2004). How the EU should help its neighbours. *Centre for European Reform Policy Brief.* Retrieved from https://www.cer.eu/sites/default/files/publications/attachments/pdf/2012/policybrief_e            u_neighbours-5399.pdf

Gstöhl, S. (2015). The Contestation of Values in the European Neighbourhood Policy: Challenges of Capacity, Consistency and Competition. In *The European Neighbourhood Policy – Values and Principles,* pp. 58-78. Routledge.

Hatab, S. (2019). Deepening democracy or stabilisation?: European neighbourhood policy (ENP) and the "Arab Spring". *Review of Economics and Political Science, 4*(1), pp. 20-37.

López, R., García-Álvarez-Coque, J., & Azcárate, T. (2013). EU-Mediterranean Relations in the Field of Agriculture: The Example of Morocco and Turkey. *Notre Europe Policy Paper (91),* pp. 1-26.

Lust, E. (2012). Elections. In Lynch, M. (2012), *The Arab Uprisings Explained: New Contentious Politics in the Middle East.* (pp. 218-245). New York: Columbia University Press.

Manners, I. (2002). Normative Power Europe: A Contradiction in Terms? *JCMS, 40*(2), pp. 235-58.

Paragi, B. (2015). Eastern and Western Perceptions on EU Aid in Light of the Arab Spring. *Democracy and Security, 11*(1), pp. 60-82.

Seeberg, P. (2008). The EU as a realist actor in normative clothes: EU democracy promotion in Lebanon and the European Neighbourhood Policy. *Democratization, 16*(1), pp. 81- 99.

# The Rise of Right-Wing Populism in Contemporary Europe

By ALICE P. KATTAGO

Alice Kattago is a recent graduate with a BA (Hons) in Political Science and International Relations from the University Fernando Pessoa in Porto. Her academic interests pertain to right-wing populism, Euroscepticism, political marketing and political communication.

*Right-wing populism has been steadily on the rise in Europe for the past decade. Nowadays, in 2019, most European countries have a national populist party either already in government or seeking to gain political power. This paper will analyse the reasons for its emergence today; it will argue that both cultural and economic reasons have contributed to creating the conditions from which populism, as a political movement, could potentially develop and even enter into government. However, the conditions alone are not enough. The emergence of a charismatic leader, adept at populist rhetoric and using social media, gives a voice to the feelings of the people, ultimately creating a political movement and normalising reactionary ideas.*

## INTRODUCTION

With recent events spanning from Brexit, to Trump's inauguration, to the rise of right-wing populists parties across Europe and the victory of Bolsonaro in Brazil, it seems that people are voting more and more for parties that preach nativism, xenophobia and isolationism. This comes as a stark contrast to the post-1945 world order that emphasised cooperation, liberal values and globalisation. In 2018, *The Guardian* revealed that one in four Europeans voted for right-wing populists, whereas not long ago, these parties were only a marginal force in the political landscape (Lewis *et al*, 2018).

This change in mentality has come as a shock for many politicians and political scientists

alike and has prompted research into the possible reasons for its appearance today. Although this phenomenon has been occurring in vastly different societies worldwide, there are some common elements to be found. Moreover, because of the fact that far right-wing parties are accompanied by a rise in populism, these two terms seem to now be used almost interchangeably.

Section I of this paper will seek to define populism and to explain its use today. Section II will then analyse the message of national populist parties and move on, in Section III, to look at factors that might have contributed to the rise of nationalist sentiment today. Finally, Section IV will focus on different tools right-wing populists use to attract voters and examine the extent of the role the media has played in disseminating their ideas. For the sake of time and simplicity, only the situation in Europe will be examined, even though this phenomenon has been occurring across the globe.

This paper will seek to answer the burning question of why nationalist parties have become so popular and normalised in Europe today. It will be argued that both cultural and economic reasons have contributed to creating the conditions from which populism, as a political movement, could potentially develop and even enter into government.

## Theoretical Framework

### What is Populism?

Before analysing current events, it is important to define the word "populism," whose meaning is rather ambiguous. Both 2016 US presidential candidates Donald Trump and Bernie Sanders have been called populists, even though they stand for vastly different political ideas and ideologies. In many ways, populism, in popular culture, has been synonymous with "anti-establishment" and "anti-elite" and its voters have been seen as angry and full of resentment (Müller, 2017).

On a fundamental level, populism refers to *vox populis* meaning "the voice of the people." However, it is important to note that democracy, in general, is supposed to mirror the voice of the people. The question herein lies in where do we draw the line between democratic leaders and populist leaders. Müller goes further by asking the following question: "Might a populist simply be a successful politician one doesn't like?" (Müller, 2017, p. 2).

Part of the problem of defining populism stems from the fact that it is a global phenomenon that has been used to describe parties, movements and leaders across many different countries. Due to cultural variations, there are many different definitions of populism. For instance, in Latin-America, it is viewed as more of a left-wing phenomenon, whereas in Europe, it is directly correlated with far-right nationalists (Gidon and Bonikowski, 2013).

There are also many different theoretical definitions of populism, but this paper will focus on the ideational approach by Mudde and Kaltwasser (2017). In their book *Populism: A Very Short*

*Introduction*, they define populism as:

> A thin-layered ideology that considers society to be ultimately separated into two homogenous and antagonistic camps, "the pure people" vs "the corrupt elite" and which argues that politics should be an expression of the general will of the people (Mudde, Kaltwasser, 2017 p. 6).

By "a thin-layered ideology," the authors mean an ideology that is usually used in tandem with other ideologies. In contemporary Europe, populism is often equated with right-wing nativist ideas, whereas in Latin America, as already noted, populism is more commonly aligned with the left (Mudde and Kaltwasser, 2017). In both cases, populism does not stand on its own as an ideology, but is merged with another one.

Populism attempts to utilise the voice of "the people" in opposition to the "corrupt elite." Mudde and Kaltwasser (2017) defined three core concepts of populism: the people, the elite and the general will. "The people" can be used to refer to the "common" people or a national community. As Müller (2017) points out, "the people," in populist rhetoric, usually imply a *certain* set of people, not the entire population. For example, after the Brexit campaign, UKIP member Nigel Farage claimed that it had been a victory for the people, even though 49% of the population had voted to remain in the EU.

The next defining characteristic of populism is its anti-elite and anti-establishment rhetoric. The elite can be seen as the media, the government as well as the economic and cultural elite. They are often portrayed as "one homogenous corrupt group that works against the general will of the people" (Mudde and Kaltwasser, 2017, p. 12). Indeed, they are often seen to be favouring "the others," which in Europe is equated with foreigners and immigrants, thus ignoring the will of the people.

This leads us to the next characteristic: "the general will," a concept developed by the French philosopher Jean Jacques Rousseau. Like Rousseau, populist leaders often criticize representative democracy and favour certain aspects from direct democracy, such as referendums. In many cases, the concept of the general will is based on the unity of the people and those who do not belong to that specific group are not treated as equals. The idea of the general will can be used to legitimise attacks on anyone who does not belong to the group of "the people," making it a real threat to democracy (Mudde and Kaltwasser, 2017).

Müller argues that being anti-establishment and anti-elite is not enough to make one into a populist. Otherwise, anyone who criticised the status quo could be considered a populist. According to him, populists are also anti-pluralists, which means that the country is run by different heterogeneous groups. Populists often claim that they are the only ones who know the true wishes of the people. This is, by definition, anti-pluralist.

The populist logic implies that whoever does not support the populist parties might not

be a proper part of the people - always defined as righteous and morally pure. Put simply, populist do not claim to be the 99% but the 100% (Müller, 2017, p. 3).

In 2010 the President of the European Council, Herman Van Rompuy, defined populism as "the biggest danger to Europe." Likewise, political scholar Bartolini described populism as a virus spreading across Europe (Godin and Bonikowski, 2013). Hence, it is clear that populism challenges the rationality of liberal democracy and poses a threat to it, yet at the same time it also allows for politicians to hear the voice of the population who feel as though they are not being listened to by elites in power (Godin and Bonikowski, 2013). This lets politicians to take a critical look at what they have been doing so far, and to perhaps try to include the people who feel left behind in mainstream discourse once again.

**What is the far-right?**

Now that we've come to understand that populism can be attached to various ideologies, how do we define right-wing populism in particular? There are numerous names for the phenomenon, ranging from far-right, extreme-right, nationalist, national populism, neo-Nazi to nativist; oftentimes, these names are used interchangeably. It is clear, however, that this phenomenon can be defined in different ways and what is far-right for one person, might not be for another. The parties that are usually deemed far-right or neo-Nazi sometimes do not percieve themselves that way, which causes difficulty in interpretation (Eremina and Seredenko, 2015).

Political scientist, Elisabeth Carter, suggests that these parties share a common view of anti-democracy and anti-constitutionalism. Cas Mudde defines far-right parties as seeing the unity of the nation-state as the highest ideological value and viewing people of other ethnic origins as threats. Roger Griffin, political theorist and historian, states ethnocentrism as one of the common elements of ultra-nationalist parties (Carter, Mudde and Griffin *cited in* Eremina and Seredenko, 2015).

It is also important to keep in mind that the far-right is often associated with the ideology of fascism and the Nazi party from the 1930s. As explored before, there are some important differences. Journalist Ivan Krastev states that the new far-right populists are not fascists because they are not as repressive and they do not believe in the power of violence (Krastev, 2018). Fascists in the 1930s, like Hitler and Mussolini, preached supreme loyalty to the nation whilst populists preached loyalty to the will of the people. Fascists also advocated for authoritarian rule whereas populists called for "more" democracy in the style of referendums (Eatwell and Goodwin, 2018). Albeit far-right parties embodying a nationalist and xenophobic discourse that is in many ways similar to fascism, there are still many differences to be found.

**The European Landscape: From East to West**

**An Overview of Current Events in Europe**

Populist parties have begun to rise swiftly in the past years, especially after the 2008 Financial Crisis and the 2015 Migrant Crisis. By now, in 2019, most European countries have a far-right populist party either gaining votes, in the opposition, or in the ruling coalition in parliament. The Foundation for European Progressive Studies (FEPS) have found nearly 80 active populist parties since 2015. They also found, in a survey conducted at the end of 2018, that 30.3% of European voters likely voted for populists. In 2017 that number was 26.%. According to this, we can see that there's a slow and steady rise of right-wing populism in Europe (Boros *et al*, 2018). Notable examples of far-right parties in parliaments and their percentage of votes can be seen below in Figure 1 (BBC, 2019).
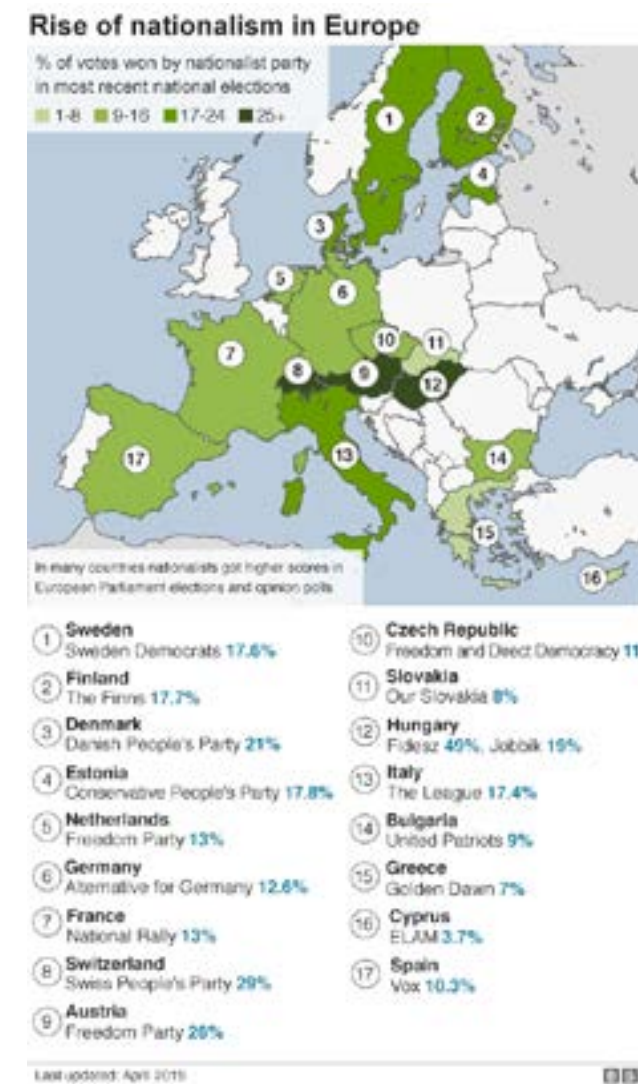


Figure 1. (BBC, 2019)

Perhaps the most extreme of all examples can be found in the post-communist countries of Hungary and Poland. After the fall of the USSR in 1989, these countries went through drastic political, economic and social transformations, having been the poster children for post-Communist Eastern European democratization (Krastev, 2018). However, in recent years, both countries have seen far-right parties emerge and gain immense popularity, so much so that they now govern both countries with increasingly authoritarian tendencies.

It is not only Eastern-Europe that faces this threat. Many Western European countries have ultra-nationalist parties sitting in opposition or even in the coalition. For example, UKIP, an anti-EU and anti-immigration party in the UK became increasingly popular before their eventual victory in the 2016 Brexit referendum. Even Germany, a country that people thought to be the least susceptible to far-right parties due to its history, has not gone untouched. The AfD was formed in 2013 as a backlash to the Eurozone crisis and the rising amount of asylum-seekers (Grevin, 2016).

## The Ideas of Nationalist Parties

### Nationalism and Nativism

Contemporary populist parties in Europe hold nationalism and the preservation of the nation-state as a core value. Nationalism is the feeling and belief that goes past the rational political and economic interests of a country; it is a cultural sentiment rooted in a particular place, community and people. The place is tied to memories, heroic exploits, monuments and the roots of ancestors. It dwells on the feelings of the past — the common past of a chosen people and on the sacrifices of those who had fallen on behalf of the land and community (Smith, 2003).

Humans have long divided themselves into groups. There are records of Egyptians differentiating themselves from Asiac and Nubian civilisations and the Greeks distinguishing between Hellenes and barbarians (Grosby, 2005). However, in our current world where many of us move countries, work in multinational corporations and are connected to people around the world via technology, nationalism seems to be outdated. On the other hand, this rapid change could cause nationalist feelings to reemerge. British historian, Eric Hobsbawm suggested in 1990 that it would be the fear of the unprecedented nature of globalising change that would drive people to seek solace yet again in the comfortable feelings of nationalism, language and ethnicity (Smith, 2003).

Nativism takes nationalism a step further. Mudde describes it as "an ideology that holds that states should be inhabited exclusively by members of the ethnic group ('the nation'), and that non-native people and ideas are fundamentally threatening to the homogenous nation-state." (Mudde, 2017, p.34) He also defines nativism as one of the core elements of national populist parties along with authoritarianism and populism.

### Euroscepticism and Anti-Elite

Another aspect that many nationalist parties in Europe have in common is their Eurosceptic attitude. The term "Eurosceptic" refers to someone who is either against the direction that the European Union is taking, or its existence entirely (Brack and Startin, 2015). There are two main types of Euroscepticism: "hard Euroscepticism" and "soft Euroscepticism." Hard Euroscepticism indicates an outright rejection of the entire European project, an example of which can be seen in the leave campaigners during Brexit. Soft Euroscepticism, on the other hand, refers to the opposition to certain policy areas of the EU. Contrary to hard Eurosceptics, these moderates do not wish to see their country leave the EU, but they do however, seek to change some aspects of it (Vasilipolou, 2009; Kuper, 2019).

The earliest uses of the term Eurosceptic can be traced back to the 1980s. Although there have always been people opposed to further integration of the EU, these people were largely confined to the margins until 1992, during the pre-Maastricht Treaty era. The Maastricht treaty, in many ways, transformed the EU from being merely an economic union to being a political union. It also marked further integration and the blurring of the divisions of national and supranational EU powers (Brack and Startin, 2015).

Ever since the ratification of the Maastricht Treaty, the spread of the single currency - the Euro, the 2004 enlargement and The Lisbon Treaty of 2009, Eurosceptic views have started to become more mainstream. These feelings were further exacerbated during and after the Financial crisis as well as the Migrant Crisis (Brack and Startin, 2015). These changes in public opinion can be seen in the Eurobarometer surveys. In 2013, as many 66% of EU citizens felt that their voice did not count in EU decisions and nearly 50% were not satisfied with the way democracy works both at the national or EU level (Eurobarometer, 2013). More than half of Europeans believe that the EU is going in the wrong direction. Moreover, trust in the European Union has always been relatively low with it currently being at 48% (Figure 2: Eurobarometer, 2018).
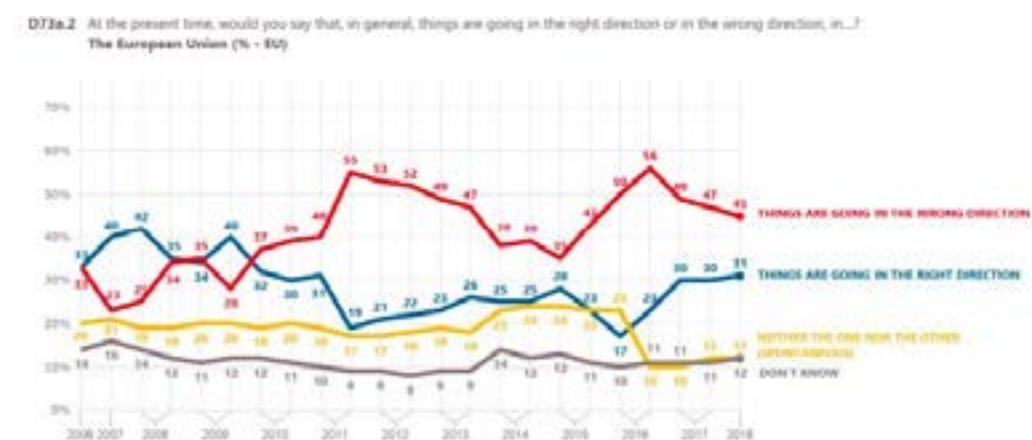


Figure 2. (Eurobarometer, 2018)

Many right-wing populist parties have managed to exploit these feelings of dissatisfaction and disconnection (Brack and Startin, 2015). Euroscepticism mirrors the anti-elite rhetoric that is so often used by populist parties, and in this case, the EU is seen as the elite, dictating to the member states what they can and cannot do.

**Anti-Immigration**

Perhaps one of the most vocal and fundamental messages of right-wing parties lies in their strong anti-immigration rhetoric. This has gone so far as to building a barbed wire fence around Hungary to keep migrants out and to the UK leaving the EU in order to "take back control of their borders." To quote Hungary's Prime Minister, Viktor Orbán: "illegal migration presents a threat, facilitates terrorism, and boosts crime. It repaints Europe's cultural face, brushing over national cultures on a massive scale." (Orbán, 2017). This kind of rhetoric is in the centre of many right-wing parties' campaigns.

The anti-immigration idea ties in once again with the populists' image of "the people" as in a certain ethnic group and "the others" acting as a threat to "the people." This threat is further propagated by the so-called "corrupt elite." The elite, in this case, the EU, are seen as employing careless immigration policies and trying to overrun the countries with immigrants (Yilmaz, 2012).

In many cases, the anti-immigration messages are targeted directly at non-Europeans, oftentimes people coming from the Middle East or former colonies. This has, in turn, created conditions for Islamophobia to develop. Islamophobic discourse is not only limited to Western Europe; many Eastern European national populists, whose countries are quite homogenous, exhibit the same kind of Islamophobia, as countries where the amount of foreign-born citizens is high (Eatwell and Goodwin, 2018).

**Theories About the Rise of Right-Wing Populism in Today**

**Economic Reasons**

Over the course of history, financial recessions have resulted in increased support for extremist parties. This recession of 2008 was no different. Not only did it bring forth the rise of far-right parties, but it also rocked the European Union, bringing feelings of dissatisfaction about the way the union and its institutions are run. Economic insecurity coming from the effects of increased globalisation, technological progress and the aftermath of the financial crisis of 2008 all led to high levels of unemployment, which, in turn, resulted in an unhappy population (Algan *et al*, 2017).

The recession heavily impacted the European-wide unemployment rate, raising it from 7% in 2007 to 11% in 2013. However, in Southern European countries such as Greece and Spain,

it reached a level higher than 20%. A high unemployment rate coupled with rising public debt and falling growth rates led many people to lose trust in the EU institutions, which promised prosperity and growth, but left many people in the dark. A considerable amount of Europeans felt left behind by the current system and thus turned their backs on the more mainstream parties in favour of extremists hoping they would fix their problems (Algan *et al* 2017; Serricchio *et al* 2013).

For example, Viktor Orbán, in Hungary was elected president in 2010 after the economy had shrunk by 6.6% in the previous year (Krastev, 2018). However, the impact of the financial crisis cannot be taken as the sole explanation of the rise of right-wing populism. Portugal, a country where the financial crisis perhaps hit the hardest, is one of the few countries that does not have a strong right-wing party. Likewise, countries like Austria, seem to be doing well financially, yet they still see right-wing parties making enormous gains (Krastev, 2018).Although it is clear that the financial crisis may have had an important role to play in the shift towards nationalism, there is far more to consider and we must not ignore these other factors.

**The Migrant Crisis**

As explored in chapter II, one of the clearest messages of right-wing parties is their anti-immigration rhetoric. This is directed particularly at Muslim immigrants and has gained momentum after the Migrant Crisis of 2015. The Migrant Crisis was one of the most serious crises that the EU has faced in its history (Freedom House, 2019a). According to Krastev, who studies contemporary right-wing populism in Eastern Europe, the Migrant Crisis made national populism a dominant ideology across former communist countries. He states that:

> A September 2017 study by Ipsos revealed that only five per cent of Hungarians and 15 percent of Poles believe that immigration has had a positive impact on their country and that 67 percent of Hungarians and 51 percent of Poles think their countries' borders should be closed to refugees entirely (Krastev, 2018).

There are important reasons for Eastern Europeans to be more fearful of foreigners and immigrants. Historically, foreigners coming into Eastern European countries never brought much good, most of these countries having been occupied by foreign forces at one point or another. Moreover, many Eastern European countries saw a large portion of their people leaving and moving West after the collapse of the Soviet Union in 1989, which has left these countries with an identity crisis. These countries also have predominantly homogenous societies and fear that their culture and language might become extinct if their society were to become more heterogeneous (Krastev, 2018).

The Migrant Crisis along with general rising trends in immigration have impacted Western European countries as well. In 2014 and 2015, unprecedented amounts of refugees fleeing civil war started to make their way to Europe and the burden of accommodating them fell largely upon peripheral countries such as Italy, Greece and Turkey. Although many Europeans felt a moral

obligation to help, the issues of how Europe will accommodate all of the refugees tore Europe further apart (Postelnicescu, 2016).

The Migrant Crisis brought up one of the most primitive and powerful human emotions: fear. There was the fear that the migrants might somehow compromise the European welfare model and the fear of the Islamic way of life (Krastev, 2016). Many of these anxieties were further fueled by the terrorist attacks on European soil, especially in France, Belgium and the UK. These attacks reinforced the preoccupation with security and anti-immigration sentiment and made it possible to link the Migration Crisis to fears of terrorism (Alvares and Dahlgren, 2016; Freedom House, 2019). According to Postelnicescu:

> We are witnessing now, after a long process of integration, a return to instinctive national sentiments. In the face of fear, people want to feel safe; hence a leader who can promise security and protection is gathering popular support (Postelnicescu, 2016).

According to a 2018 Eurobarometer survey, immigration remains the most pressing concern in 21 member states of the EU, while in 2014 it was only in 14 member states (Eurobarometer, 2018). Moreover, a survey conducted by Freedom House found that the anti-immigration sentiment increased the most in countries that have not taken in many refugees or have just been transit countries, countries like Hungary, Slovakia and the Czech Republic (Freedom House, 2019).

**Cultural Backlash**

As mentioned previously, some of the reasons for the emergence of populists parties in Eastern Europe stem from demographic changes after 1989 and the fear of losing the country's national identity. However, Western Europe has seen a considerable rise in populism as well, even though they do not share the same demographic issues as Eastern European countries. On the contrary, they see a growing population but not a growing *ethnic* population, rather a growing population due to immigration combined with an aging population.

It is safe to say that after decades of moving towards multiculturalism, Europe is facing a type of identity crisis. As British sociologist and professor Anthony Smith said, "nationalism is a crisis of identity and the response to the irregularities of modernity by taking pride in your own nation" (Smith *cited in* Postelnicescu, 2016).

British author, David Goodhart, in his book titled *The Road to Somewhere* analyses the feelings of people in Britain about immigration and current British society. He divides British people into two groups: the "*somewheres*" and the "*anywheres.*" The *somewheres* are rooted in a specific place and community and they are usually from small towns and have a socially conservative outlook. The *anywheres*, on the other hand, can often be found in urban areas and are often well-educated,

cosmopolitan and socially liberal (Freedland, 2017).

According to the author, about 60% of the British population could be classified as *somewheres*, 20-25% as *anywheres* and the rest as *inbetweeners*. He confirms this with a YouGov study that was conducted in 2011. The study asked the participants to agree or disagree with the following statement "Britain now feels like a foreign country," where 62% agreed and 30% disagreed, corresponding roughly to Goodhart's estimates (Freedland, 2017).

Goodhart suggests that this data describes actual groups in society and that the *somewheres* feel lost and left out by a modern world that is becoming increasingly globalised. The *anywheres*, on the contrary, are content and feel as though they belong to larger groups (Freedland, 2017). Thus, in many ways, the feelings of the *somewheres* stem from a cultural identity loss rather than economic difficulties (Goodhart, 2016). As Goodhart points out:

> Somewheres feel uncomfortable with many aspects of cultural and economic change - such as immigration, an achievement society in which they struggle to achieve, the reduced status of non-graduate employment and more fluid gender roles. They do not choose closed over open but want a form of openness that does not disadvantage them (Goodhart, 2016, p. 5).

Although Goodhart only wrote about Britain, his findings can also be used to examine other European societies. The divide between the rural community and the urban population is prevalent across Europe and can be seen in the voter demographics.

**Distrust, Destruction, Deprivation and Dealignment**

Eatwell and Goodwin (2018), in their work titled *National Populism: The Revolt Against Liberal Democracy*, argue that the four main causes for the recent rise in support for national populism are distrust, destruction, deprivation and dealignment. Firstly, *distrust* refers to the way in which many voters feel like they are not being listened to when it comes to political debate. The second cause, *destruction*, alludes to the way that people fear the loss of cultural identity due to immigration and globalisation. As previously discussed, these fears have manifested equally in multicultural societies such as England, and in homogenous societies like Hungary and Poland. The third cause, *deprivation*, points to the loss of faith in the future and the fear of inequality and deprivation in relation to others: many voters today are convinced that the past was better than the present and that the future will be worse. Finally, voter cleavages are not nearly as defined as they were before leading up to Goodwin's and Eatwell's last point - *dealignment* (Eatwell and Goodwin, 2018).

According to Goodwin and Eatwell, these four causes have created the perfect ground for national populism to prosper and they must be looked at together, not separately. Contrary to many critics, national populism is neither a result of the economic crisis nor a cultural shift but the sum of them both. Deprivation certainly draws more upon financial difficulties, whereas

destruction, deprivation and dealignment point to a more cultural shift.

### Tools Populist Parties Use

### The Charismatic Leader

One of the most important features of populism is its reliance on a strong and charismatic leader who presents him or herself as the voice of the people and who is able to reach and mobilise the masses. British political scientist, Paul Taggart claimed that "populism requires the most extraordinary individuals to lead the most ordinary people" (Mudde and Kaltwasser, 2017, p. 62).

Having a strong leader is of particular importance to extremist parties mainly because they are new, not well known and relatively unstable without a leader. Many populist parties are even organised around a strong leader since their charisma alone can bring in voters' support (Bos *et al* 2011). An extraordinary charismatic leader of a populist party usually gets dubbed "the strongman." What differentiates the strongman from other charismatic leaders and political parties, is his/her crafted image of a man of action who does not cower in the face of difficult decisions. The strongman also draws upon the sense of urgency and the existence of a "crisis" (whether made up or real), that requires him to lead the people and to make quick decisions. Another characteristic of the strongman is his sense of anti-intellectualism, preferring to stick to common-sense solutions and to separate himself from the intellectual elite (Mudde and Kaltwasser, 2017).

This separation from the political and intellectual elite is usually achieved through the populist's claim of being a political novice and a political outsider. It helps them isolate themselves from the unpopular views that people may have of previous governments, policies or politics in general. The image that the populist leaders present often does not mirror reality, and in many cases, populist "strongmen" are very much part of the elite (Mudde and Kaltwasser, 2017).

### Populist Rhetoric: Scapegoating and Fear Mongering

Populist rhetoric consists of many elements including its anti-establishment and anti-elite appeal. It preaches the unity of a native and ethnically homogenous population and looks for an easy way to explain the hardships that plague the people, claiming to be reluctant to engage in politics were it not for an immediate crisis (Bos *et al* 2011). According to Albertazzi, there is a general "need to generate tension in order to build up support for the party . . . by denouncing the tragedies that would befall the community if it were to be deprived of its defences" (Albertazzi, 2007 *cit in* Bos *et al* 2011. p 187). The use of fear mongering is especially prevalent amongst populist parties and populist leaders. Fear mongering refers to the deliberate creation of fear in citizens by blowing a particular issue out of proportion and playing on one of the most powerful

human emotions. In Europe, fear mongering is often used to talk about the negative effects that immigration and globalisation will bring.

Another common tool in populist rhetoric the use of a scapegoat. A scapegoat refers to a person or a group who is vilified and blamed for most of the troubles of a country, becoming a particularly popular political tool during and after economic crises. A famous example from the not so distant history includes the Jewish population being blamed for the troubles of Germany in the 1930s (Vieten and Poynting, 2016). As Vieten and Poynting (2016) put it:

> The "othering" and blaming out-groups is an ideological manoeuvre that obfuscates the real causes of economic crisis that lie within the tendencies towards periodical crisis within the social relations of capital itself …. Right-wing nationalist populism scapegoats the Other instead as the putative cause of the crisis (Vieten & Poynting, 2016, p. 534).

One notable example of a scapegoat is the Hungarian-American businessman, liberal philanthropist and founder of the Open Society Foundations, George Soros who is presented as a malicious force in Hungary. The Fidesz party convinces its supporters that George Soros, together with the EU, is conspiring against Hungary to bring in thousands of immigrants to drive the Hungarian people and culture to extinction (Krastev, 2018). Posters of George Soros have been hung up across the country with slogans saying "Let's not let George Soros have the last laugh" (Appendix, Figure 5: Thrope, 2017). Hungarian prime minister and frontman of the Fidesz Party Viktor Orbán has stated that:

> We could hardly say anything new or more damning than the widely-known fact that the Hungarian opposition is an assemblage of pro-immigration politicians which George Soros and the European bureaucrats are keeping on life support (Orbán, 2017).



Figure 3. (Thorpe, 2017)

**The Media**

Finally, the media is one of the most important tools that any political party can use. Most citizens never meet the politicians and thus rely on the media in order to form an opinion about the politician or political party, making the media a crucial tool for politicians to disseminate their message and to build up their image (Bos *et al* 2011). Media prominence can profoundly influence the politician's prominence in the public eye; the more salient they are to the public eye, the better they can convince citizens that their standpoints matter. Research has shown that voters' knowledge of the various politicians is dependent upon the amount of media attention they get. Hence, by making certain characteristics of a political candidate more noticeable, the media can shape a candidate's image (Bos *et al* 2011).

Although analysing populism and the media is a relatively new research area with few studies carried out, there are still several theories that academics have put forward. Some scholars claim that populists tend to be more dependent on media coverage because of being relatively unknown in the political sphere. Likewise, other scholars claim that populists naturally receive a lot of media coverage because their provocative speech and viewpoints make for eye-catching headlines (Grevin, 2013; Aalberg *et al* 2019). "Their (populist) style shares the key traits of media logic, including personalization, emotionalization, and an anti-establishment attitude and can, therefore, lead to exaggerated media attention from which they can profit" (Bos *et al* 2011 p. 184).

Far-right parties have found their way into both traditional media (the press, TV, and radio) and new media (blogs and social media) and utilized it to their advantage. Social media, in particular, also provides a direct link with their supporters, and as Hameleers and Schmuck (2017) note, it has contributed to the spread of right-wing populism today. Social media platforms like Facebook and Twitter provide both politicians and citizens with a medium for expressing their ideas in the way they see fit, with or without employing political correctness. This interactive way of communicating provides a stark difference from traditional media. The fact that citizens can themselves post opinion pieces and re-share other people's posts gives more of a personal touch. Moreover, initial research has shown that people are more likely to be influenced by messages and posts from people they trust than from news organisations (Nekmat *et al*. in Hameleers and Schmuck, 2017).

**Conclusion**

To sum up, populism is a "thin-layered ideology" that can be used in tandem with other ideologies. Populist leaders claim to represent the general will of the people, while at the same time creating a struggle between the political elites and the true people. National populism, in particular, mixes right-wing ideology with populism, favouring ideas such as nativism, anti-immigration sentiments and Euroscepticism.

Overall, it can be said that there were numerous conditions that provided the grounds for

national populism to prosper in Europe. Decades of globalisation have not benefited everyone equally and many, who felt uneasy with the cultural change globalisation entailed, found solace in the familiar feelings of nationalism. Certain events such as the Financial Crisis and the Migrant Crisis further propelled these sentiments. However, these feelings of resentment and feeling left out of political discussion needed to be voiced by a charismatic leader. Without having a political party to voice these concerns, national populism would most likely have remained at the fringes of the political landscape. The power of social media also allowed for these messages to spread in a rapid and personal way.

It is clear that the feelings of dissatisfaction and disconnect amongst many Europeans are very real and cannot be ignored by mainstream politicians. A large amount of the population is unhappy with the current system and desperate for a change, something that the far-right parties promise to offer. If the gap is to be bridged, then a way needs to be found whereby national populist voters could be included in mainstream political discourse and feel respected and heard once again.

**REFERENCES**

Aalberg, T. *et al* (2019). *Populist Political Communication in Europe*. 1st Edition. London/ New York.  Routledge. pp 3-12

Algan, Y. *et al* (2017). The European Trust Crisis and the Rise of Populism. *Brookings Papers on Economic Activity* Fall 2017. Pp 309-400. Brookings Institution Press.

Alvares, C. and Dahlgren, P. (2016). Populism, Extremism and Media: Mapping an Uncertain Terrain. *European Journal of Communication*. Vol 3 (I) pp. 46-57.

BBC (2019). Europe and Nationalism: A Country by Country Guide. *BBC World*. Available online at: https://www.bbc.com/news/world-europe-36130006  (accessed 11. 06. 19)

Boros, T. *et al* (2018). State of Populism in Europe. *Foundation for European Progressive Studies*. Policy solutions. Available at: https://progressivepost.eu/wp-content/uploads/WEB_State-of-Populism-in-Europe-2018.pdf (accessed 11.05.19)

Bos, L. *et al* (2011). How the Media Shape Perceptions of Right-Wing Populist Leaders. *Political Communication*, Vol 28(2). pp 182-206.

Brack, N. and Startin, N. (2015). Introduction: Euroscepticism, from the margins to the mainstream. *International Political Science Review 2015*, Vol. 36(3) pp. 239–249.

Eatwell, R. and Goodwin, M. (2018). *National Populism: The Revolt Against Liberal Democracy*. United Kingdom. London/ New York: Penguin Random House UK.

Eremina, N. and Seredenko, S. (2015). Right-Wing Radicalism in Party and Political Systems in Present Day European States *Cambridge Scholars Publishing*. Available online at: https://www.cambridgescholars.com/download/sample/62612 (accessed 11.05.19)

Eurobarometer (2018). Public Opinion in the European Union. *Standard Eurobarometer 89*. http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/STANDARD/surveyKy/2180 (accessed 16.06.19)

Eurobarometer (2013).  Public Opinion in the European Union. *Standard Eurobarometer*. http://ec.europa.eu/commfrontoffice/publicopinion/archives/eb/eb79/eb79_first_en.pdf (accessed 16.06.19)

Freedland, J. (2017). The Road to Somewhere. *The Guardian*. Available online at: https://www.theguardian.com/books/2017/mar/22/the-road-to-somewhere-david-goodhart-populist-revolt-future-politics?fbclid=IwAR3N8eTguY4REkelAsPN0s-bJIJ8jXQfD8RKTXflyg92wb_pMzBHTBcGyvQ (accessed 11.05.19)

Freedom House (2019). Central Europe's Faceless Strangers: The Rise of Xenophobia in the Region. *Freedom House*. Available at: https://freedomhouse.org/report/special-reports/central-europe-s-faceless-strangers-rise-xenophobia-region#.XQZvRdNKjMI (accessed 16.06.19)

Grevin, T. (2016). The Rise of Right-Wing Populism in Europe and the United States: A Comparative Perspective. *Friedrich Ebert Stiftung*. Available online at: https://library.fes.de/pdf-files/id/12892.pdf  (accessed 01.05.19)

Godin, N. and Bonikowski, B. (2013). Varieties of Populism: Literature Review and Research Agenda. *Weatherhead Center for International Affairs Harvard University* No 13-004.

Goodhart, D. (2016). *The Road to Somewhere: The Populist Revolt and the Future of Politics*.

London.  C. Hurst & Co.

Grosby, S. (2005). *Nationalism: A Very Short Introduction*. Oxford. Oxford University Press.

Hameleers, M. and Schmuck, D. (2017). It's us against them: a comparative experiment on the effects of populist messages communicated via social media. *Information, Communication & Society*, Vol 20 (9). pp. 1425-1444.

Krastev, I. (2018). Eastern Europe's Illiberal Revolution. *Foreign Affairs*. Available online at:　　https://www.foreignaffairs.com/articles/hungary/2018-04-16/eastern-europes-illiberal-revolution (accessed 19.05.19)

Krastev, I. (2016). Utopian Dreams Beyond the Border.  *Eurozine*. Available at: https://www.eurozine.com/utopian-dreams-beyond-the-border/  (accessed 15.06.19)

Kuper, S. (2019). The EU's Enemy from Within: Eurosceptic Remainers. *The Financial Times*. Available at:  https://www.ft.com/content/ae3ebc46-4a99-11e9-bbc9-6917dce3dc62  (accessed 14.06.19)

Lewis, P. *et al* (2018). Revealed: One in Four Europeans Vote Populist. *The Guardian*. Available online at: https://www.theguardian.com/world/ng-interactive/2018/nov/20/revealed-one-in-four-europeans-vote-populist (accessed 21.04.19)

Mudde, C. and Kaltwasser C. R. (2017). *Populism: A Very Short Introduction.* New York. Oxford University Press.

Müller, J. W. (2017). *What is Populism?* London/ New York: Penguin Books.

Orbán, V. (2017). "Hungary and the crisis of Europe". *National Review*. Available Online at: https://www.nationalreview.com/201/01/viktor-orban-europe-hungary-crisis-european-union-unelected-elites-nationalism-populism/ (accessed 19.05.19)

Postelnicescu, C. (2016). Europe's New Identity: The Refugee Crisis and Rise of Nationalism. *Europe's Journal of Psychology.* Vol 12 (2). pp.203–209

Serricchio, F. *et al* (2013). Euroscepticism and the Global Financial Crisis. *Journal of Common Market Studies.* Vol 51 (1). pp. 51-64.

Smith, A. (2003).*Chosen Peoples: Sacred Sources of National Identity*. Oxford University Press.

Thorpe, N. (2017). Hungary vilifies financier Soros with crude poster campaign. BBC News. Available online at:  https://www.bbc.com/news/world-europe-40554844   (accessed 05.05.19)

Vasilopolou, S. (2009). *'Varieties of Euroscepticism: The Case of the European Extreme Right'*. Journal of Contemporary European Research. Vol. 5. pp. 3-23.

Vieten, U.M and Poynting, S.  (2016). *Contemporary Far-Right Racist Populism in Europe*. Journal of Intercultural Studies. Vol 37 (6). pp. 533-540.

Yilmaz, F. (2012). *Right-Wing Hegemony and Immigration: How the Populist Far-Right Achieved Hegemony Through the Immigration Debate in Europe*. Current Sociology. Vol 60 (3) pp. 368-381

# Esprit de Corps in the European External Action Service: Analysing the Challenge Through Principal-Agent Theory

By CHRISTINA KEßLER

Christina Keßler is a graduate student pursuing a degree in Political and Governance Studies at the College of Europe. She holds a Bachelor's degree in Liberal Arts and Sciences from Amsterdam University College.

*According to research conducted in the field of organisational studies, esprit de corps is a determinant of an organisation's success. Why then is it that the European External Action Service (EEAS) fails to establish esprit de corps? Through the lens of principal-agent theory and a focus on common training of European diplomats, this paper establishes that the EU member states' unwillingness to give up control hinders the establishment of esprit de corps and with it the establishment of a more confident European diplomatic service.*

## INTRODUCTION

The European External Action Service (EEAS) is a relatively new actor on the stage of international diplomacy. Formally established in 2010, its aim is to not only represent supranational policy areas of the European Commission, but to embody a common EU foreign policy under the command of the High Representative for Foreign Affairs and Security Policy and Vice President of the European Commission (HR-VP) (Cross, 2011). From its beginning onwards, the EEAS has faced various challenges; among those the problems of low staff morale and lack of collective identity, in the following referred to as *esprit de corps* (Juncos & Pomorska, 2014; Murdoch & Geys, 2014; Henökl, 2014, Konstanyan, 2016). How can principal-agent analysis help us understand why the establishment of *esprit de corps* proves such a challenge for the EEAS?

By applying principal-agent theory to the problem one concludes that EU member states' will to exert absolute control over all parts of the EEAS hinders the successful establishment of *esprit de corps*. Here, this issue will be exemplified by emphasizing the role of common training in forming *esprit de corps*, and why it currently does not take place in the EEAS.

The establishment of the EEAS, training of EEAS diplomats, and the lack of *esprit de corps* of the EEAS has been explored by various scholars, respectively highlighting different approaches to the topic. While one can understand the establishment of the EEAS through different theoretical angles (e.g. Kluth and Pilegaard's neorealist take on the emergence of a supranational European diplomatic service (2012)), lots of political science scholars employ the principal-agent model to analyse the EEAS (Duke 2011; Konstanyan, 2014; Henökl, 2014). The principal-agent model, originated in the field of microeconomics and later applied to the study of international organisations (IOs), views the establishment of IOs as a matter of states (principals) which employ IOs (agents) to undertake various tasks on their behalf (Barkin, 2015). When analysing the lack of a common culture/*esprit de corps* within the EEAS, Cross draws from the international relations theory of constructivism in order to shed light on the importance of collective identity for organisations and institutions (2011). However, the topic of *esprit de corps* within the EEAS has also been examined by various other scholars, such as Duke (2011), Frattini (2010), and Juncos and Pomorska (2014). Duke (2011), Frattini (2010), and Juncos and Pomorska (2014) are in agreement on the fact that establishment of *esprit de corps* can be a decisive factor in the question of whether the EEAS will manage to successfully establish itself as a credible actor on the international diplomatic stage or whether it will fail to deliver due to ineffectiveness and incoherence. The EEAS, unprecedented in its nature as the world's first supranational diplomatic service, has the potential to fundamentally influence EU foreign policy and the realities of international diplomacy (Cross, 2011). Due to the potential impact of the EEAS and the importance of *esprit de corps* as a factor contributing to its potential success or failure, the reasons for the lack of *esprit de corps* within the EEAS deserve our utmost attention and must be thoroughly examined.

In the following, the issue of lacking *esprit de corps* within the EEAS will be analysed through the principal-agent model. Firstly, the theoretical framework will be explored, and the principal-agent model will be further elaborated on. Hereafter, the term *esprit de corps* will be clearly defined, and its importance will be demonstrated by drawing from research from the field of organisational studies. After theoretical concepts have been established, the case study of *esprit de corps* in the EEAS will be analysed. As demarcation is necessary due to the broadness of the topic of *esprit de corps* in the EEAS, focus shall be on the aspect of training of European diplomats and its potential influence on the formation of a common organisational culture. Through the lenses of principal-agent analysis we will come to further understand why the establishment of *esprit de corps* proves such a challenge for the EEAS. To conclude, the findings and resulting implications will be elaborated on and links to possible future developments will be drawn.

**Theoretical Framework: The Principal-Agent Model**

In the study of international institutions, we differentiate between traditional institutionalism and neoinstitutionalism (Barkin, 2015). Traditional institutionalists see IOs merely as actors which fulfil the purpose they were designed to fulfil by their creators; neoinstitutionalists view IOs as capable of developing agency different from their creators' interests, and pursuing goals in their institutional interest, such as survival of the institution (Barkin, 2015). The principal-agent model is an attempt to bridge the gap between the two theories (Barkin, 2015). According to this model, states (principals) designate IOs (agents) to perform certain tasks on their behalf (Barkin, 2015; Cini & Borragan, 2016). As complete oversight over the agent's actions is costly and oftentimes simply unrealistic, agents can carve out space for themselves and even stray in areas that the principals are not aware of (Barkin, 2015; Cini & Borragan, 2016). The agents are not merely the metaphorical puppets on their principal's strings but are "able to develop their own preferences over time and search for their realisation" (Konstanyan, 2014: p. 168). As the principals want to prevent their agents from pursuing goals different form their own (Barkin, 2015), they make sure that they can control the latter and establish various control mechanisms in order to avoid agency loss (Barkin, 2015; Konstanyan, 2014). Principal-agent analysis has often been used to explain major developments in the process of European integration, such as the establishment of the European Commission or the European Court of Justice (Cini & Borragan, 2016). Likewise, the principal-agent model also provides a powerful explanation for the emergence of the EEAS (Konstanyan, 2016). While the EU member states are the principals delegating actions, the EEAS is the agent which they expect to act according to their goals. The application of this model is not without limitations, as it fails to take the existence of the European Parliament, appointed not by the EU member states governments but democratically elected by the citizens of each member state, into account (Konstanyan, 2016). However, it is still an appropriate model to explain the various difficulties the EEAS is facing as a supranational diplomatic service, especially when one wants to closely examine the relationship of EU member states to the EEAS.

**Theoretical framework: *Esprit de Corps***

In order to explain the behaviour of different actors on the international stage, the international relations theory of constructivism borrows from the field of sociology; according to constructivists, the preferences and interests of different actors can be explained by analysing the social context in which they interact and how they perceive themselves and others (Cross, 2011). The idea of *esprit de corps* is closely related to the theoretical approach of constructivism (Cross, 2011). Cross describes *esprit de corps* as a common culture, based on shared heritage, shared symbolism and the shared sense of purpose of a group of professionals (2011). However, as Juncos and Pomorska points out that scholars do not necessarily refer to the same phenomenon when employing the term *esprit de corps*, but use it to describe a variety of things ranging from collegial atmosphere within a group to a transfer of loyalties from the national to the EU level (2014). In the following, *esprit de corps* refers to "the emergence of shared beliefs and values among the individuals within a group and a desire among those individuals (in this case, EEAS officials) to achieve a common goal" (Juncos & Pomorska, 2014: p. 305), and also includes "the degree to

which an individual believes his organisation performs an important function and offers unique opportunities for growth and reward"(Jones & James, 1979: p. 213). Why is *esprit de corps* so important for an organisation, and specifically for the EEAS?

According to Juncos and Pomorska, *esprit de corps* positively affects organisational commitment, identification, staff retention, and productivity; by improving the internal coherence of the EEAS it ultimately increases its effectiveness (2014). Furthermore *esprit de corps* is especially beneficial to organisations in times of crisis (Juncos & Pomorska, 2014), and at a moment in time in which the future of not only EU foreign policy but the future of the European Union as a whole is uncertain, the EEAS could substantially benefit from *esprit de corps*. Cross stresses the fact that diplomacy is to a large extent built on "a common culture derived from professional relationships and years of service" (2011: p. 453). Along the same line, Frattini warns of the danger of creating "merely shared administration, that does not live up to our ambitions" (2010: p. 220) as a direct consequence of neglecting the establishment of *esprit de corps* in the EEAS. Drawing from the aforementioned scholars, it is apparent that *esprit de corps* would help the still relatively young EEAS to assert its position in the world of international diplomacy.

In order to answer the question why the establishment of *esprit de corps* poses such a challenge for the EEAS, we must first have a thorough understanding of how *esprit de corps* is defined and why it is desirable. The principal-agent model is helpful for us as it provides us with a conceptualization of how states perceive their own role regarding the EEAS and helps us to closely define states' interests in the process of the development of the EEAS. Following through with the discussion, a case study of *esprit de corps* within the EEAS, will be used to further explain the current situation of the EEAS. Particular emphasis will be placed on the role of diplomatic training, as it is one of the defining factors in the establishment of *esprit de corps*. It can be contrary to some other factors such as the public image of the organisation which is clearly influenced by the EEAS and the EU member states (Juncos & Pomorska, 2014).

**Case Study: *Esprit de Corps* in the EEAS**

While EEAS officials strongly identify with the organisation, research shows that they criticize a lack of *esprit de corps* within the EEAS (Juncos & Pomorska, 2014). What are the challenges to a successful establishment of *esprit de corps* within the EEAS? One might point out that the EEAS is still a relatively young organisation and that esprit de corps naturally will develop with time. However, as Juncos and Pomorska (2014) point out:

> Although one might come to the conclusion that it is too early for EEAS officials to develop it, time is not a requirement for the formation of *esprit de corps*. According to Boyt et al. (2005, p. 689), 'it could be evident even in a newly formed group, if members agree about the roles and values of the group'. (p. 316)

Apparently, such an agreement was absent in the early stages of the EEAS, preventing the formation of *esprit de corps* (Juncos & Pomorska, 2014). Another possible hindrance might be

the fact that officials working for the EEAS, a supranational diplomatic service, evidently lack a common national and cultural background. However, as Cross demonstrates pointing to the current EU-Brussels diplomacy, national origin is no hindrance to shared diplomatic culture (2011). According to Cross (2011), the biggest obstacle on the way to establishing *esprit de corps* within the EEAS is a different one:

> One of the main cultural challenges for the new foreign service is that it is comprised of officials drawn from three different institutions: the Council Secretariat, the Commission, and the national foreign services. (p. 454)

The fact that EEAS officials have been socialized in various institutions with their own distinct organisational culture results in organisational and cultural clashes (Cross, 2011). However, Cross already proposes a possible solution to the issue. According to him, in order to cultivate new norms and form a distinctive shared identity, common training for EEAS diplomats is of fundamental importance (Cross, 2011). He goes as far as to propose the establishment of a European Diplomatic Academy, through which a common form of training of future EEAS officials is ensured (Cross, 2011). Frattini shares Cross' sentiment and agrees on the necessity to establish a European School of Diplomacy (2010). In contrast, Duke opposes the idea of a European Diplomatic Academy and warns from applying a 'one-size-fits-all' solution to the complex problem of European diplomatic training (2011). While he does stress the importance of training in order to create the desired *esprit de corps*, he rightly points out that "Decisions on how to prepare diplomats are predominantly determined by national perspectives and attitudes." (p. 96).

In fact, the idea to establish a European Diplomatic Academy or any similar kind of school with the purpose of training EEAS diplomats has been opposed by some EU member states form the very beginning of the negotiations concerning the establishment of the EEAS (Konstanyan, 2014). Principal-agent analysis provides a framework to conceptualize the position in which EU member states see themselves in and explains why they might oppose a common form of training for EEAS diplomats. States view themselves as the principals, assigning tasks to the EEAS, their agent, for various reasons such as e.g. efficiency of action (Konstanyan, 2014). However, according to the principal-agent model, the trust placed in the agent is by no means unconditional. On the contrary, as Konstanyan points out (2014):

> The logic behind the delegation that creates a contractual relationship between the principals and the agent is based on the expectation that the agent's action will generate the outcomes sought by the principals. (p. 168)

In order to avoid that the agent might pursue goals different from the outcomes sought by the principals, the principals will expectedly exert a lot of control over the agent. Especially in the field of diplomacy, states are unwilling to lose control over a diplomatic service which gets to represent them on the international stage. Wessel and Van Vooren conclude after extensive research concerning European and international law as well as the diplomatic ambitions of the EEAS, that "EU Member States do not seem to be willing to give up their traditional competences

in his area" (2013: p. 14).

In fact, throughout the entire process of the EEAS, the member states were always eager to maintain full control over the service: whether it was the framework of the EEAS's actions, the instruments which it makes use of or the procedural rules, the EU member states were always the driving force (Konstanyan, 2016). Konstanyan's research comes to the following conclusion:

> Analysis of the decision-making in the Council structures reveals that the member states' representatives are effectively in charge of the EU foreign-policy decision-making process in general and the EEAS in particular. (2016: p. 46)

Henökl finds even clearer words for the current relation of the EU member states to the EEAS:

> The […] [EU member states] are trying to stay on top of the game, which they are the "grand masters" of, since they were at the origins of the delegation to supranational bodies of the EU in the first place. However, they are not consolidated as a unified, collective principal, and visibly display heterogeneity of preferences, more or less directly and openly conflicting with one another. (2014: p. 397)

Considering these points, it does not come as a surprise that EU member states are unwilling to give up agency in the fundamental question of how and where people who are going to represent their foreign policy are trained and socialized. After all, individual EU member states have long traditions of training their diplomats (Konstanyan, 2014). The issue is however not limited to the EU member states' discussion whether training should be conducted at the European University Institute in Florence, Maastricht University or the College of Europe, even though those discussion certainly also play a role (Konstanyan, 2014).

When examining the issue through the lenses of principal-agent analysis one also concludes that EU member states do not necessarily see the establishment of a strong *esprit de corps* of the EEAS in their national interests. An assertive, confident European diplomatic service with staff that feels aligned first and foremost to the European Union would be harder to control by EU member states and is therefore not desirable. As neoinstitutionalism teaches us:

> But it is the IOs themselves, once they have been created, that create their own norms and operating procedures over time. To the extent that they are committed to these procedures, and to the extent to which the IO makes a difference in international politics, the creation and maintenance of procedures allows the IO to dictate how things will be done within its issue-area. (Barkin, 2015: p. 37)

Especially in the issue-area of foreign policy, EU member states want to prevent the EEAS to gains to much control, which might eventually stray away from their goals. Experience shows that EU member states want to keep the institutional power of the EEAS at a minimum and rather themselves directly stay in control over issues of foreign policy. The establishment of *esprit*

*de corps* within the EEAS might be beneficial for the effectiveness of the organisation, but those benefits are outweighed by the risk which EU member states make an all-too confident European diplomatic service out to be.

**Conclusion**

The Principal-agent theory helps us shed light on why the goal of a common culture within the EEAS is not pursued with more enthusiasm by EU member states. We can conceptualize the EEAS as an agent established by EU member states (principals) in order to facilitate cooperation. However, it is expected that principals will keep track of the agent's action in order to make sure that the latter is not pursuing goals which are not in the principals' interests. The EU member states are wary of losing any control in the field of foreign policy and have kept close control at every step of the EEAS's emergence. While the benefits of a strong *esprit de corps* are known, the steps that could potentially be taken to strengthen such a common culture would require EU member states to give up a certain amount of control. An example for this is the training of EEAS diplomats. Currently EEAS staff is drawn from three different institutional environments with their respective organisational culture: the national foreign services, the Council Secretariat and the European Commission (Cross, 2011).

This results in organisational incohesiveness and hinders the emergence of *esprit de corps* in the EEAS (Cross, 2011). A potential solution could be the common training for all EEAS diplomatic staff, e.g. in a European School of Diplomacy (Cross, 2011; Frattini, 2010). However, this would require EU member states to give up substantial influence over the diplomats representing their foreign policy, and they are unwilling to do so (Konstanyan, 2014). Apart from that, principal-agent analysis also shows us that the establishment of *esprit de corps* in the EEAS might not even be in the interest of EU member states. When looking at the emergence of the EEAS we see that EU member states have exerted substantial amounts of control in every possible area. According to neoinstitutionalist theory, IOs can carve out a space for themselves and pursue institutional interests different from the interests of their creators. Keeping in mind how important control in the area of foreign policy is for states, it seems unlikely that the EU member states are all-too enthusiastic about creating a powerful, confident supranational European diplomatic service which has the potential to one day pursue interests different from the policy interests of EU member states.

These findings show us that it is not only going to be hard for the EEAS to establish a strong *esprit de corps* or a common diplomatic training in the foreseeable future, but also imply that the EEAS might face various other challenges in the future due to the unwillingness of EU member states to give up their control over their foreign policy. Whether the EEAS will be able to establish itself as a credible actor on the international stage under these circumstances is questionable, but further research should explore  whether there are ways for EU member states to work together for the creation of a strong supranational European diplomatic service despite those obstacles.

**REFERENCES**

Barkin, J. (2015). *International Organization: Theories and Institutions*. Springer.

Cini, M. (2016). *European Union Politics*. Oxford University Press.

Cross, D., & Mai'a, K. (2011). Building a European diplomacy: Recruitment and training to the EEAS. *European Foreign Affairs Review*, *16*(4), 447-464.

Duke, S. (2012). Diplomatic Training and the Challenges Facing the EEAS. *The Hague Journal of Diplomacy*, *7*(1), 95–114. https://doi.org/10.1163/187119112X609167

Frattini, F. (2010). The European External Action Service: a look into EU diplomat training. *European View*, *9*(2), 219-227. https://doi.org/10.1007/s12290-010-0134-2

Henökl, T. E. (2014). The European External Action Service: Torn Apart Between Several Principals or Acting as a Smart 'Double-agent'?. *Journal of Contemporary European Research*, *10*(4).

Jones, A. and James, L. (1979) 'Psychological Climate: Dimensions and Relationships of Individual and Aggregated Work Environment Perceptions'. *Organizational Behavior and Human Performance*, Vol. 23, No. 2, pp. 201–50.

Juncos, A. E., & Pomorska, K. (n.d.). Manufacturing Esprit de Corps: The Case of the European External Action Service. *JCMS: Journal of Common Market Studies*, *52*(2), 302–319. https://doi.org/10.1111/jcms.12107

Kluth, M., & Pilegaard, J. (2012). The Making of the EU&#146;s External Action Service: A Neorealist Interpretation. *European Foreign Affairs Review*, *17*(2), 303–322.

Kostanyan, H. (2014). The rationales behind the European external action service: The principal-agent model and power delegation. *Journal of Contemporary European Research*, *10*(2), 166–183.

Kostanyan, H. (2016). Analysing the power of the European Union's diplomatic service: do the EU member states control the European external action service?. *The Hague Journal of Diplomacy*, *11*(1), 26-48. https://doi.org/10.1163/1871191X-12341326

Murdoch, Z., & Geys, B. (2014). Institutional dynamics in international organizations: lessons from the recruitment procedures of the European External Action Service, *35*(12), 1793–1811. https://doi.org/10.1177/0170840614544558

Wessel, R. A., & Van Vooren, B. (2013). The EEAS's diplomatic dreams and the reality of European and international law. *Journal of European Public Policy*, *20*(9), 1350–1367. https://doi.org/10.1080/13501763.2012.758455

# International Conditionality and Democratic Backsliding in Eastern and Central Europe

*By* KÁROLY GERGELY

Károly Gergely is a recent graduate of Russian and East European Studies (MSc) at the University of Oxford. His thesis is on corruption perception and narratives of corruption in Hungary. He graduated with a first class honours degree in Politics and Modern History from the University of Manchester in 2018. He also worked as a reporter for multiple organisations.

*This paper addresses the tension at the heart of the concepts of international conditionality and democratic backsliding as they are discussed regarding developments in the East and Central European (ECE) region. This essay evaluates the impact of international conditionality in the region and argues that this influence should not be measured according to a success-failure dichotomy. Furthermore, the essay counters the linear concept of democracy-building and advocates for an understanding of democratisation as a process, rather than a project that can be completed. The first two parts examine the impacts and failures of EU conditionality in order to understand its impact on the region. The third part argues that this impact should not be analysed as a monolithic project that either failed or succeeded. The fourth part advances a similar argument regarding democratic backsliding and illuminates the connection between the two concepts. This paper serves as a crucial contribution to the democratisation debate, linking together two parts of scholarship, conditionality and democratisation, from a critical standpoint. This essay also serves as a starting point for further research, analysing the impact of conditionality 15 years after the accession of ECE countries to the EU.*

## INTRODUCTION

This essay evaluates whether international conditionality worked in Eastern and Central Europe (ECE) and examines the potential impact of conditionality on democratic backsliding in the region. This inquiry is presented through a case study of the European Union's (EU) conditionality which was exercised prior to the ECE countries' accession to the union. Conditionality in international relations means that a certain benefit is obtained through the fulfillment of certain conditions. In the case of EU conditionality, the benefit is membership in the European Union, while conditionality consisted of two cumulative levels. These two levels

were the membership criteria as laid out by the Copenhagen Criteria, while the adoption of the *acquis communautaire,* the body of European law represented a more 'practical' aspect of the region's 'return to Europe'. The Copenhagen Criteria demands that countries that wish to join the EU possess institutions which can guarantee (1) democracy, (2) the rule of law, (3) respect for human rights, (4) respect for minority rights, (4) a functioning market economy as well as (5) the ability to cope with the pressures and mechanisms of free market within the EU. The *acquis*, the body of European law, consists of approximately 800,000 pages of various legislations, court decisions, and legal acts of the European community.

In 2004, eight ECE states joined the EU (the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia), while Bulgaria and Romania joined them in 2007. Despite the accession initially being considered successful, as these countries all eventually fulfilled their obligations, there have been warnings that they might 'backslide'. Backsliding is usually understood to be the process of cutting back or dismantling various institutions set in place previously. This term is most frequently used to discuss 'democratic backsliding', the erosion of democratic institutions, a sort of return to a less democratic form of governance.

Both scholarly and public discourse was divided on this issue after the accession, and these debates still remain inconclusive. However, considering the recent 'democratic backsliding' in the region, the question of conditionality re-emerges as relevant. This paper argues that a success-failure dichotomy is unsuited to evaluate a process as complex as the conditionality for EU accession. While previous scholarship recognised the issues arising from analysing conditionality and democracy as having a clear-cut causal relationship (Hughes, Sasse and Gordon, 2004), there is a lack of convincing arguments linking contemporary backsliding to accounts of conditionality.

This essay advances its case in four segments. The first part presents the arguments according to which conditionality worked. The second part challenges this claim by pointing to sectors where the EU conditionality resulted in little or no substantial change. The third part challenges the notion that EU conditionality can be assessed on a binary 'failed-succeeded' scale and advances a more nuanced understanding of the issue. Finally, this essay argues that the dichotomous understanding of conditionality is possibly linked with the understanding of democracy as a linearly developing institution, which once constructed, would not 'backslide'. This understanding led to both false hopes and misplaced blame tied to EU conditionality.

Democratic conditionality among ECE states was widely considered to be a success (Mungiu-Pippidi, 2014; Schimmelfennig and Scholtz, 2010; Schimmelfennig, 2007). Despite warnings coming from the critics of conditionality against the dangers of 'democratic backsliding', the countries that commenced their accession process in 1998 (Czech Republic, Estonia, Hungary, Poland and Slovenia) appeared to be a 'front-runner group' in the 'democratisation race' (Grabbe, 2006, p.18). Scholars, such as Frank Schimmelgennig and Ulrich Sedelmeier explicitly stressed the 'effectiveness of *acquis* conditionality' in helping this process (2004, p.675). This account argues that the breadth of the *acquis* and the importance attached to democratic conditionality brought about significant changes on various levels (Rechel, 2008).

These changes include the creation of a liberal opposition, which was non-existent before 1989 in some cases, springing up as a result of the EU's 'active leverage' (Vachudova, 2005). The appearance of these parties was a response to the high public support for the EU in ECE countries, which still prevails in the region (Mungiu-Pippidi, 2015). Connor O'Dwyer (2006) argued that a socialization process of the political elites of ECE also took place. Furthermore, Heather Grabbe illustrated that Europeanisation, a 'logic of behaviour based on complying with EU requirements', impacted institutions most on a micro-level, (2006, p. 199). Additionally, Europeanisation was also accompanied by an internationally recognised process of democratic consolidation in the Central European region. Moreover, the accession brought about closer regional cooperation, exemplified in the Visegrád Group, signalling the advancement of regionality in line with the 21st chapter of the *acquis* (Dangerfield, 2008). This 'robust effect' (Schimmelfennig and Scholtz, 2010, p.444) of EU political conditionality was accompanied by the successful introduction of the *acquis* into national laws, exemplified by a 2006 survey, which showed that 'the average transposition deficit for this group [new members] was 1.2 per cent but 1.9 per cent for the EU-15' (Fakner and Trieb, 2008, p.307).

These results have largely been considered to be the result of 'external incentives' (Schemmelfennig and Sedelmeier, 2004) or 'active leverage' (Vachudova, 2005). This model sets up a 'rationalist bargaining model' (Schemmelfennig and Sedelmeier, 2004, p.663) in which in return for implementing changes, the countries gain entry into the EU. In order to sustain the momentum of reform in the post-accession period, other mechanisms were devised to keep the new member states 'in line'. These included the temporary withholding of certain benefits of EU membership, conditional EU funding and 'increased linkage' with other members which collectively managed to hinder 'democratic backsliding', thus avoiding to use the EU's strongest instrument, Article 7 (Vahudova, 2005; Sedelmeier, 2014; Levitz and Pop-Eleches, 2010). Despite prior expectations, the new member states followed implementation styles similar to that of older member states, thus a large flood of new infringement cases did not follow 2004 (Jacoby, 2004; Falkner and Trieb, 2008; Baun and Marek, 2013; Steunenberg and Toshkov, 2009). Studies have shown, that while the speed of reforms slowed down in the post-accession period, there was no systematic post-accession backsliding (Levitz and Pop-Eleches, 2010). Successful conditionality was also regarded as a good sign for further 'lock-in' effect, leading to a fuller internationalization of EU norms and values (Sedelmeier, 2012). These factors point to the overwhelming success of conditionality.

However, the 'rationalist momentum' of the accession period and the 'formal compliance' of the new states gave rise to a 'perception of behavioural change' (Sasse, 2008, p. 842). Considering the factors presented in this part, there was a hope both among EU elites and ECE societies that successful accession in 2004 and 2007 also signalled the 'finishing touch' of democracy-building.

Critics have long warned about the possible downsides of relying heavily on the 'active leverage' of the EU (Vachudova, 2005). As Sedelmeier argued in 2014, the 'sanctions available to EU institutions are much weaker than the threat of withholding membership during the pre-accession phase' (p.105). This came forward most visibly in recent years with regards to Hungary and Poland, and the reluctance of the European institutions to rectify democratic backsliding

with the use of Article 7 (Sedelmeier, 2014).

Scholars have also pointed out some unintended consequences of the unilateral mode of rule transposition: it undermined electoral stability while also preparing the ground for populism (Busse and Innes, 2003). The 'one-size-fits-all' nature of the conditions meant that ECE countries did not have the chance to express their preferences and their particular problems were similarly ignored (Grabbe, 2006). The unilateral project also made ECE countries 'uninventive' and inspired 'respect for banality', underlining the contradiction of trying to create democratic states using undemocratic means (Krastev, 2010, p. 117).

EU conditionality was unable to restrict developing illiberal patterns in Romania, Bulgaria and Slovakia and later on in Hungary and Poland (Vachudova, 2005). Considering that both positive and negative changes could be 'locked in', the 'democratic backsliding' of the region could indicate the failure of internalisation of EU rules and norms (Sasse, 2008). The apparent 'completeness' of the *acquis* also inflated expectations on the side of the ECE populations, who hoped that after making the necessary changes, their democracy would be 'complete' (Mungiu-Pippide, 2007). However, the relatively quick transposition of the whole *acquis* resulted in 'Potemkin institutions', which were not suited to the countries' specific interests (Jacoby, 2004). This formal adoption of rules, indeed, only accounted for 'dead letters' and not actual internalization (Falkner and Trieb, 2008, p.308). Meanwhile, the speed of the accession can be explained by the EU's 'overriding concern' with expanding to new markets, explaining the acceptance of formal introduction of certain regulations as adequate 'adoption' (Rechel, 2008).

The EU's initial aim of transforming a wide variety of deeply embedded systems, which are not prone to improvement, such as governance, was highly ambitious (Mungui-Pippidi, 2014). Thus, the Europeanization project (or at least some parts of it) was bound to experience difficulties from the outset. The complex nature of the accession process was coupled with the poor quality of the Commission's *Regular Reports*, leading to a false perception of 'completeness' on the side of the EU (Rechel, 2008). They were quickly drawn back to reality with the 'Kaczyński twins' administration in Poland, the inclusion of far-Right, nationalist parties in the Slovak governing coalition, and the 2006 riots in Hungary' (Levitz and Pop-Eleches, 2010, p.458). The narrative of failed conditionality got even more traction after 2010. Considering the current vivid discourse around 'democratic backsliding' in the region, it seems plausible to retrospectively validate the fears of those who argued that EU conditionality would fail or only bring limited changes.

However, this narrative seems to suffer from the same issues like the one presented in the first part of this essay. The linear conception of democracy building and the lumping together of various conditions might lead one to claim that conditionality has failed in ECE, however, a more convincing account allows a more nuanced approach to this complex issue. While it is tempting to talk about the success or failure of conditionality, the approach presented here paints a more faithful image of the complex political reality of the accession period. This essay borrows from James Hughes, Gwendolyn Sasse, and Claire Gordon, who, back in 2004, demonstrated 'the fluid nature of conditionality, the inconsistencies in its application by the Commission over time, and the weakness of clear-cut causal relationship between conditionality and outcome in this

policy area' (Hughes, Sasses, and Gordon, 2004, p. 523). These criticisms surface elsewhere in the scholarly literature as well, however, a coherent critique of the dominant narratives presented in the first two parts of this essay has not been formed yet.

It is problematic to talk about 'conditionality' in general, considering that there were at least two majorly separate mechanisms, the democratic conditionality and the adoption of the *acquis*. Even these aims turned out to be 'moving targets', as clarification and changes in the actual 'conditions' occurred before and during the accession process (Grabbe, 2006; Rechel, 2008). Within the *acquis,* the density of rules also varied from issues with a low density such as health care and consumer protection to agriculture and regional development, where the *acquis* density was much higher (Grabbe, 2006; Rechel, 2008). The *acquis,* seemingly covering all aspects of social, economic, and political life, even ignored such crucial issues as the media or minority rights (Mungiu-Pippidi, 2007; Sasse, 2008). Therefore, the *acquis* was a non-monolithic, uneven tool, which was applied in various contexts by various actors and did not result in uniform results.

The politicisation of the democratic conditionality also made benchmarking more difficult (Mungiu-Pippidi, 2007). Political utilisation was allowed by the 'broad nature' of the conditions, as compliance with wide concepts such as the 'rule of law' did not set out the 'rules of the game' clearly (Sasse, 2008). Therefore, the other 'half' of conditionality (Copenhagen Criteria) was also a tool which was not used uniformly and did not achieve identical results.

During the accession process, the EU was also struggling to differentiate between legal change and actual implementation, or internalisation, echoing back to the argument of Falkner and Trieb about the 'world of dead letters' (Sasse, 2008; Rechel, 2008; Steunenber and Toshkov, 2009). This difference between official acceptance of certain rules and actual implementation is an issue which continues to cause deep problems within the EU. The above factors point to a difficulty in establishing not only what to analyse when discussing 'conditionality' but also how to establish its success. This complexity is one of the main reasons why 'quantitative data as an indicator of actual compliance is limited' (Sedelmeier, 2008, p.806).

Conditionality also did not operate in a vacuum: it acted upon already existing institutions and norms in the candidate countries which differed from state to state (Schimmelfennig and Sedelmeier, 2004; Grabbe, 2006; Sasse, 2008, Rechel, 2008). The impact of 'legacies' was discussed in more detail by Arista Maria Cirtautas and Frank Schimmelfennig, but additionally, the qualities of bureaucracies, civil societies and court systems were to have a deep impact on the implementation of conditionality (Cirtautas and Schimmelfennig, 2010; Falkner and Trieb, 2008). Therefore, it seems counterintuitive to lump together the accession processes of all ECE countries, as each state reacted differently to the EU's conditions. Considering the unique characteristics of each new member posed methodological difficulties among those who attempted to strike a balance between the singular case and the general pattern. The scholarly literature is therefore mostly dominated by detailed case studies of singular countries or papers which ignore the particularities of the ECE region and talk about 'conditionality' without discussing its various impact across states.

The issues encountered above crystallize in the misunderstanding of the nature of the 'road to democracy'. As I argued earlier, the complexity of conditionality and the states' 'ups and downs on the road to membership' are often overlooked (Mungui-Pippidi, 2007, p.14). This seems to align with the democratisation narratives of the 1990s, and with a linear conception of history as an unstoppable march toward liberal democracy. This approach is epitomised by the monitoring procedures, 'according to which countries are evaluated by the number of measures adopted from detailed Commission "roadmaps" rather than by indicators measuring real changes on the ground' (Mungui-Pippidi, 2007, p.15). These roadmaps laid out a linear path, at the end of which, liberal democracy awaited the countries ready to make the necessary changes. The one-sided nature of the 'conditionality' already suggested that the conditions are considered to represent the 'best' option and thus it seems unreasonable for rational actors to leave this path. This linear view of historical developments towards a 'best' set of institutional practise echoes older narratives, such as the 'Whig history' of Thomas Babington Macaulay. The 19th-century liberal historian proposed that the British represent a crowning achievement of civilisation, similarly to how Western liberal democracy was perceived to be the 'high point' of civilization at the point of EU accession.

Nevertheless, as pointed out earlier, there were scholars who were cautious about the success of conditionality in promoting democracy in the region. Critiques of conditionality were mostly silenced by the lack of significant backsliding in ECE in the immediate aftermath of the accession. On a domestic level, the perceived 'completeness' of the *acquis* and the lip-service paid to the political criteria led to inflated expectations on the side of the elites (Mungiu-Pippidi, 2007) regarding what conditionality 'promised'.

The most frequently used examples of democratic backsliding in the region are Hungary and Poland. Both of these states were considered to be 'frontrunners' both in the transition processes and during the EU accession. As EU conditionality promised to bring about 'democracy', these failures seem to indicate that conditionality failed in creating 'genuine' liberal democracies.

However, the concept of 'democratic backsliding' suffers from the same conceptual deficiency as did the concept of democratic conditionality. Democratic backsliding takes its cue from the aforementioned Whig historiographic tradition and names deviations from established democratic practices as *back*sliding to a previous state of 'development'. As demonstrated above, conditionality was largely considered to be a success and its potential failures were mostly focusing on the immediate aftermath of the accession. However, the static concept of democracy in both conditionality and backsliding appears to present democracy as a destination, and once you arrive you do not leave. However, the 14 years since the accession point to a less straightforward view of democratisation than it was commonly perceived at the time of the accession. The experiences in Poland and Hungary show that established democracies are just as open to international, domestic, economic, political and social pressures as any other kinds of regimes and the reaction of polities will depend on their unique context. Hungary and Poland have reacted to these pressured in one way – Czechia and Slovenia responded in a different fashion. Despite going through the 'same' processes of accession and conditionality, the outcomes of the conditionality were not uniform.

The changes that occurred in Hungary and Poland in the last 9 and 4 years respectively point to a different understanding of democracy. The executive aggrandizement (Bermeo, 2016) visible in both cases illustrate that established democracies can turn into hybrid regimes if the conditions are right. Whether this is 'backsliding' from an ideal type of democracy is debatable, however, the linear undertones of conditionality and backsliding offer little theoretical insight into the understanding of the developments in the region. As Anu Toots and Janika Bachmann (2010) pointed out regarding the healthcare systems of the post-socialist block, it is a mixture of path departure and path dependency which defines the region and makes it hard to conceptualize it within frameworks based on Western historical developments. The fact that some states abandoned the ideas of liberal democracy, do not necessarily reflect the 'failure' of conditionality – rather, it merely points to a less path-dependent development of the region. This paper suggested analysing these processes in their own context rather than conceptualising them as transitioning towards an 'ideal' form of governance.

**Conclusion**

This essay argued that viewing conditionality as a 'success' or as a 'failure' represents a problematic dichotomy which misconstrues the complex political and social circumstances of both the EU and the ECE region. The first part presented the view according to which conditionality was a success and argued that in some areas, the EU had a long-lasting and powerful impact. The second part countered this by pointing to areas where conditionality failed, therefore illustrating that the causality between conditionality and the desired effect was not always straightforward. The third part questioned the dichotomy of 'success' and 'failure' and argued that the linear understanding of democracy building contributed to a simplified understanding of the complex process of conditionality, which was neither a success or a failure. It was a process, which was formed and transformed continually, delivering some good results, while leaving important issues untouched.

## REFERENCES

Anu Toots, & Janika Bachmann. (2010). Contemporary Welfare Regimes in Baltic States: Adapting Post-Communist Conditions to Post-Modern Challenges. *Studies of Transition States and Societies,*2 (2), pp. 31-44.

Baun, Michael and Marek, Dan (2013). The Implementation of EU Environmental Policy in the Czech Republic: Problems with Post-Accession Compliance?. *Europe-Asia Studies*, 65(10), pp. 1877-1897.

Bermeo, Nancy (2016). On Democratic Backsliding. *Journal of Democracy*, 27 (1), pp. 5-19.

Cirtautas, Arista Maria and Schimmelfennig, Frank (2010). Europeanisation Before and After Accession: Conditionality, Legacies and Compliance. *Europe-Asia Studies*, 62(3), pp. 421-441.

Dangerfield, Martin (2008). The Visegrad Group in the Expanded European Union: From Preaccession to Postaccession Cooperation. *East European Politics & Societies*, 22(3), pp. 630-667.

Falkner, Gerda and Trieb, Oliver (2008). Three Worlds of Compliance or Four? The EU-15 Compared to New Member States. *Journal of Common Market Studies*, 46(2), pp. 293-313.

Grabbe, Heather (2006). *The EU's Transformative Power*. London: Palgrave Macmillan.

Hughes, James; Sasse, Gwendolyn and Gordon, Claire (2004). Conditionality and Compliance in the EU's Eastern Enlargement: Regional Policy and the Reform of Sub-National Government. *Journal of Common Market Studies,* 42(3), pp. 523-551.

Jacoby, Wade (2004). *The Enlargement of the European Union and NATO: Ordering from the Menu in Central Europe*. American Council of Learned Societies, ACLS Humanities E-Book.

Krastev, Ivan (2010). Deepening Dissatisfaction. *Journal of Democracy*, 21(1), pp. 113-119.

Levitz, Philip and Pop-Eleches, Grigore (2010). Why No Backsliding? The European Union's Impact on Democracy and Governance Before and After Accession. *Comparative Political Studies,* 43(4), pp. 457-485.

Mungiu-Pippidi, Alina (2007). EU Accession Is No "End of History". *Journal of Democracy*, 18(4), pp. 8-16.

Mungiu-Pippidi, Alina (2014). The Transformative Power of Europe Revisited. *Journal of Democracy,* 25(1), pp. 20-32.

Mungiu-Pippidi, Alina (2015). The Splintering of Postcommunist Europe. *Journal of Democracy*, 26(1), pp. 88-100.

O'Dwyer, Connor (2006). Reforming Regional Governance in East Central Europe: Europeanization or Domestic Politics as Usual?. *East European Politics and Societies*, 20(2), pp. 219 – 253.

Rechel, Bernd (2008) What Has Limited the EU's Impact on Minority Rights in Accession Countries?. *East European Politics & Society*, 22(1), pp. 171-191.

Sasse, Gwendolyn (2008). The Politics of Conditionality: The Norm of Minority Protection Before and After EU Accession. *Journal of European Public Policy*, 15(6), pp. 842-860.

Schimmelfennig, Frank (2007). European Regional Organizations, Political Conditionality, and Democratic Transformation in Eastern Europe. *East European Politics & Societies*, 21(1), pp. 126-141.

Transfer to the Candidate Countries of Central and Eastern Europe', Journal of European Public Policy, 11(4), pp. 661-679.

Schimmelfennig, Frank and Sedelmeier, Ulrich (2004). Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe', Journal of European

Schimmelfennig, Frank and Scholtz, Hanno (2010). Legacies and Leverage: EU Poliical Conditionality and Democracy Promotion in Historical Perspective. Europe-Asiapp443

Vachudova, Milada Anna (2005). Europe Undivided. Democracy, Leverage and Integration after Communism, Oxford: Oxfor

Schimmelfennig, Frank and Sedelmeier, Ulrich (2004). Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe', Journal of European Public Policy, 11(4), pp. 661-679.

Sedelmeier, Ulrich (2008). After Conditionality: Post-accession Compliance with EU Law in East Central Europe. Journal of European Public Policy, 15(6), pp. 806–825.

Sedelmeier, Ulrich (2012). Is Europeanisation through Conditionality Sustainable? Lockin of Institutional Change after EU Accession. West European Politics, 35(1), pp. 20–38.

Sedelmeier, Ulrich (2014). Anchoring Democracy from Above? The European Union and Democratic Backsliding in Hungary and Romania after Accession. Journal of Common Market Studies, 52(1), pp. 105-121.

Steunenberg, Bernard and Toshkov, Dimiter (2009). Comparing Transposition in the 27 Member States of the EU: The Impact of Discretion and Legal Fit. Journal of European Public Policy, 16(7), pp. 951-970.

# European Union Accession Conditionality and Serbia:

## An Examination of the Effectiveness of the EU'S Accession Negotiation Strategy

By MIRTA BAŠELOVIĆ

Mirta Bašelović is finishing up her Master's degree in Global Policy Studies at the University of Texas at Austin, where she earned her Bachelor's degree as well. She is interested in EU enlargement and external relations, and is a Youth Ambassador for the WAVE Network working on gender equality promotion and prevention of violence.

*The European Union continuously refers to the Western Balkan countries as future members of the Union. However, the traditional accession negotiation process and the use of conditionality to prepare a country for the full membership are not yielding the expected results in Serbia. This paper analyzes the EU's accession negotiation strategy and assesses possible factors that contribute to Serbia's hindered progress towards membership. The paper also examines factors unique to Serbia and their effect on the EU's strategy. The paper concludes that the current strategy is not sustainable and that quick and targeted reform is crucial to regain the full effectiveness of conditionality in the pre-accession talks.*

### INTRODUCTION

Conditionality is one of the most important tools that the EU uses to influence the creation of the reforms targeting domestic policies and institution-building within the aspiring member states. The EU uses a strategy of reinforcement by reward, where the rule adoption and successful implementations are set as conditions to obtain the reward of the full membership.[1] The effectiveness of conditionality on the targeted state's compliance depends on several factors, most important of which are (1) the determinacy and consistency of the EU's conditions, (2) the

credibility of accession, (3) the capacity of candidate countries and (4) domestic costs.[2]

Compliance with the conditions is measured through the progress of aligning domestic laws and policies with the Acquis Communautaire, divided into 35 Chapters which all have to be closed before a state can be officially considered for full membership. Serbia initiated the accession talks by signing the Stabilisation and Association Agreement in 2007, and subsequently applying for the EU membership in 2009. The country received the full candidate status in 2012 and began the process of accession negotiations in 2014. As of May 2019, Serbia has opened 16 Chapters and provisionally closed only 2, Chapter 25—Science and Research, and Chapter 26—Education and Culture, as illustrated in Figure 1.

| | | | | | | |
|---|---|---|---|---|---|---|
| 1. | Free Movement of Goods | 10. | Information Society and Media | 20. | Enterprise and Industrial Policy | 27. | Environment |
| 2. | Free Movement of Workers | 11. | Agriculture and Rural Development | 21. | Trans-European Networks | 28. | Customer and Health Protection |
| 3. | Right of Establishment and Freedom to Provide Services | 12. | Food Safety, Veterinary and Phytosanitary Policy | 22. | Regional Policy and Coordination of Structural Instruments | 29. | Customs Union |
| | | | | | | 30. | External Relations |
| 4. | Free Movement of Capital | 13. | Fisheries | 23. | Judiciary and Fundamental Rights | 31. | Foreign, Security and Defense Policy |
| | | 14. | Transport Policy | | | 32. | Financial Control |
| 5. | Public Procurement | 15. | Energy | 24. | Justice, Freedom and Security | 33. | Financial and Budgetary Provisions |
| 6. | Company Law | 16. | Taxation | | | | |
| 7. | Intellectual Property Law | 17. | Economic and Monetary Policy | 25. | Science and Research* | 34. | Institutions |
| 8. | Competition Policy | 18. | Statistics | 26. | Education and Culture* | 35. | Other Issues |
| 9. | Financial Services | 19. | Social Policy and Employment | | | | |

Figure 1. List of Chapters of the Acquis. Opened Chapters are underlined, and provisionally closed Chapters are indicated by asterisks (*).

---

1      Zhelyazkova, Asya, et al. "European Union Conditionality in the Western Balkans: External Incentives and Europeanisation." *The Europeanisation of the Western Balkans*. Palgrave Macmillan, Cham, 2019: 19.

---

2      Ibid.

Serbia's accession negotiations are particularly interesting because of its unique position in the region. The country is the most populous and the most prosperous among the Western Balkan Six (WB6), the six current and potential membership candidates in the region. Serbia also has a large influence in the region, and because of the current political situation, its accession would inevitably affect that of other countries in the WB6, namely Kosovo and Bosnia and Herzegovina.

Furthermore, Serbia has a much different historical relationship with the West than do its neighbors in the region. The country was the target of the 1999 NATO bombing campaign in an effort to stop the killings of ethnic Albanians in Kosovo. The campaign resulted in over 500 civilian deaths and instances of deliberate attacks on civilian objects and infrastructure.[3] Amnesty International accused NATO of violating international law, particularly in the case of the bombing of the Belgrade headquarters of Radio Television Serbia, which claimed the lives of 16 civilians, and which NATO defended as an attack on Milošević's "propaganda machine."[4] The results of the ICTY investigation that vindicated NATO of war crimes decreased the Serbian citizens' trust in international institutions, and pushed the country further towards its historical ally—Russia. These circumstances, coupled with the growing economic influence of China, and the rise of Euroscepticism across the continent, make Serbia's accession path a remarkable case study of the effectiveness of the EU's conditionality.

### Negotiations Strategy

#### The "New Approach"

In 2006, following the opening of accession negotiations with Croatia, the European Commission issued the Renewed Consensus on Enlargement to the European Parliament. The document elaborated the new strategy for the negotiations with the Western Balkan countries which was based on "strict conditionality at all stages of the negotiations" and addressing the "difficult issues, such as administrative and judicial reforms, and the fight against corruption" early on in the process.[5] The big change in the "new approach" allowed the EU to obtain a track record of the reforms in Chapters 23 and 24, concerning Judiciary and fundamental rights, and Justice, freedom, and security, respectively.

In contrast to previous rounds of enlargement, Serbia must now not only adopt the acquis, but also successfully and sustainably implement it before it can obtain the full membership. To

3      Human Rights Watch. *Civilian Deaths in the NATO Air Campaign*. February 2000.

4      Amnesty International. *Amnesty International Report 2000 - Yugoslavia, Federal Republic of*. 1 June 2000.

5      European Parliament. *Resolution on the Commission's Communication on the Enlargement Strategy and Main Challenges 2006-2007*. 2006.

track the progress of implementation, the Commission has introduced benchmarks targeting adoption of legislation, the establishment and strengthening of administrative structures, and the intermediate track record.[6] This new strategy intended to provide the Union with the means to influence political reforms on highly sensitive issues in candidate countries.[7]

### Reported Results

According to the latest series of reports on Serbia's progress, the EU's strategy has not yet displayed the intended results. The 2018 European Commission Enlargement Strategy report, titled "The Credible Enlargement Perspective for and enhanced EU engagement with the Western Balkans", shed light on the lack of substantial improvement in any of the areas that the "new approach" aimed to address. In an uncharacteristically undiplomatic language, the Commission indicated displays of "clear elements of state capture, including links with organized crime and corruption at all levels of government and administration."[8] Furthermore, the Commission concluded that "none of the Western Balkans can currently be considered a functioning market economy nor to have the capacity to cope with the competitive pressure and market forces in the Union."[9]

Similarly, in a non-paper on the state of play regarding Chapters 23 and 24 for Serbia, drafted by the Commission in November of 2018, there was little talk of positive developments in the reform implementation. According to the report, "little concrete progress" has been made in the reforms considering the judiciary, no progress in monitoring anti-corruption, "serious delays in the adoption" of the Law on the Anti-Corruption Agency, the Law on Political Party Financing, the Law on Gender Equality, the Law on Free Legal Aid, the Law on Data Protection, and so on.[10] Lastly, the Commission's annual report on Serbia from April 2018 likewise noted slow progress in freedom of the press, rule of law, the fight against organized crime and corruption, albeit some improvement in the economy of the country.[11]

6      Ibid.

7      Nechev, Z., et al. "Embedding Rule of Law in the Enlargement Process: A Case for the EU Political Conditionality in the Accession of the Western Balkan Countries." Association for Development Initiatives—Zenith, 2013.

8      European Commission. *A credible enlargement perspective for and enhanced EU engagement with the Western Balkans.* 6 February 2018.

9      Ibid.

10      Tuhina, Gjeraqina. *Izveštaj EK: Srbija Nije Napredovala u Ključnim Oblastima*. Radio Slobodna Evropa, 15 Noember 2018.

11      European Commission. *Commission Staff Working Document: Serbia 2018 Report.* 17 April 2018.

**Low-cost Concessions as Strategic Tools**

It is fair to say that both the EU and the WB6 would benefit greatly from the increased stability and security in the region, as well as economically from the expanded market. In order to keep the accession negotiations alive, despite the clear lack of considerable progress, both the EU and Serbia have been using well-timed short-term concessions and low-cost shows of good will. The most significant breakthrough in the negotiation process thus far was reaching an agreement between Kosovo and Serbia, which integrated the institutions of the Serbian municipalities in northern Kosovo into the Kosovar state in exchange for extensive local autonomy. As a result, Serbia officially received a start date for accession negotiations nearly two years after obtaining the status of an official candidate.[12] This deal between Belgrade and Priština allowed Serbia to move forward with the accession negotiations, while also boosting the perception of the EU's competence in trying to solve national sovereignty, territory, and identity problems in the region.

Furthermore, Serbia managed to use the 2015 migration crisis to improve its image within the EU institutions. The Serbian government was praised for assuming "a very constructive role in managing the migration crisis" and for making "a substantial effort to ensure that third country nationals transiting through the country received shelter and humanitarian supplies, with EU support as well as the support of others."[13] However, reports from NGOs indicated Serbia's lack of registration, lack of access to the procedures, and lack of suitable accommodation for asylum seekers. AIDA informed that "instead of solving deficiencies in the respective asylum systems," Serbian authorities took advantage of the "unwillingness of asylum seekers to apply for international protection in their country" and violated their international obligations to ensure access to international protection.[14] This instance of "fake compliance" is not unique, as Serbia has used similar tactics to exude compliance and cooperation while pursuing its own interests and goals in numerous occasions.

Similarly, the EU has shown willingness to overlook major violations of the Freedom of the Press in Serbia in 2014, immediately after its display of cooperation with Kosovo, maintaining that media freedom is "not necessarily the most central element of establishing compliance with EU norms."[15] It is not surprising that the freedom of media continued to decline afterwards, and together with the absence of an independent, efficient, and accountable judiciary that would persecute the violators, journalists are still subject to daily attacks and death threats. Serbia also lacks financially viable media outlets, independent of the intervention by the state and the

authorities, that would guarantee reliable and efficient protection to the journalists. However, the Commissioner for the European Neighborhood and Enlargement, Johannes Hahn, refused to intervene, claiming that he needed "proof, not rumors" of media freedom violations in Serbia, essentially enabling further infringements and noncompliance with the Copenhagen criteria in exchange for relative stability in the region.[16]

**Conditionality Effectiveness Analysis**

**Determinacy and Consistency**

The "new approach" significantly improved determinacy of the accession negotiations by offering a much stricter, but also a more coherent system of compliance monitoring than in the previous enlargement negotiations. Lessons from Central European countries like Poland and Hungary indicated that major rule of law and political problems should be settled before joining the EU, and bilateral issues between Cyprus and Turkey emphasized the importance of resolving similar disputes prior to accession.[17][18]

However, even though the "new approach" improved determinacy of the conditions through the implementation of benchmarks and monitoring systems, the consistency of application of these conditions remains problematic. The EU failed to obey the strict conditionality principle across all areas of negotiations with Serbia, but it also demonstrated double-standards in evaluating the successes of reform implementation between Croatia and Serbia. Figure 2. compares Indices of Rule of Law (World Justice Project)[19][20], Freedom Status (Freedom House)[21][22], and Corruption

12      Lehne, S. *Serbia-Kosovo Deal Should Boost the EU's Western Balkans Policy*. Carnegie Europe, 23 April 2013.

13      European Commission. *Commission Staff Working Document: Serbia 2015 Report*. 2015.

14      Asylum Information Database (AIDA). *Common Asylum System at a Turning Point: Refugees Caught in Europe's Solidarity Crisis*. 2015.

15      European Parliament, DG External Policies, Policy Department. *Freedom of the Media in the Western Balkans*, 2014.

16      BIRN. *Hahn Demands Proof of Serbia Media Censorship*. Belgrade, 17 February 2015.

17      The current Hungarian and Polish authorities continue building electoral autocracies and dismissing the EU institutions' unsuccessful efforts to roll back the rule of law backsliding. The issue is particularly critical because of the regimes' participation in the EU's decision-making processes and their effect on all EU citizens residing in either of the countries. The EU's attempts to prevent or penalize the authoritarian behaviors have not yet been fruitful.

18      The Republic of Cyprus joined the EU in 2004, despite the territorial dispute between the Greek Cypriots and the Turkish Cypriots. The accession rose questions about the legal status of northern Cyprus, as the EU neither recognizes it as an independent state, nor has any authority over its legislation, monetary policy, border controls, or movement of goods, capital, services, and people. However, Turkish Cypriots are considered citizens of the EU and are represented in the European Parliament.

19      WJP. *Rule of Law Index: Croatia*. 2010.

20      WJP. *Rule of Law Index: Serbia*. 2018.

21      Freedom House. *Freedom in the World 2009: Croatia*. 2009.

22      Freedom House. *Freedom in the World 2018: Serbia*. 2018.

Perception (Transparency International) [23][24] of Serbia in 2018 and Croatia in 2009-2010, when it closed Chapter 24 of the negotiations. Neither Croatia in 2010 nor Serbia in 2018 demonstrated commitment to enhancing fundamental freedoms or corruption prevention within their respective borders, yet Croatia was allowed to join the Union nonetheless. The difference between the two countries is insignificant in areas observed in Figure 2, but there is little prospect of Serbia closing Chapter 24 any time soon.

The European Commission made problematic statements about Serbia's progress in domestic policies as well. For example, in 2014 the Commission claimed that "[t]here is a strong political impetus to fight corruption" in Serbia and that "[t]he new government remains fully committed to EU integration."[25] A year later, the Commission insisted that "Serbia's institutions for preventing corruption broadly meet international standards and have shown good potential."[26]

| Rule of Law Index | | |
|---|---|---|
| | Croatia (2010) | Serbia (2018) |
| Constraint on Government Powers | 0.41 | 0.40 |
| Absence of Corruption | 0.46 | 0.44 |
| Open Government | 0.24 | 0.47 |
| Fundamental Rights | 0.59 | 0.56 |
| Civil Justice | 0.53 | 0.50 |

| Freedom Status | | |
|---|---|---|
| | Croatia (2009) | Serbia (2018) |
| Freedom | 2 | 2.5 |
| Political rights | 2 | 3 |
| Civil Liberties | 2 | 2 |

| Corruption Perception Index | |
|---|---|
| Croatia (2009) | Serbia (2018) |
| 4.1 | 3.9 |

Figure 2. Comparison of the relevant indices of Croatia and Serbia.

23      Transparency International. *Corruption Perception Index 2009*. 2009.

24       Transparency International. *Corruption Perception Index 2018*. 2018.

25      European Commission. *Serbia 2014 Progress Report*. 8 October 2014.

26      European Commission. *Serbia 2015 Progress Report*. 10 November 2015.

Both claims gave confidence to Serbia that the occasional small exhibits of progress will be accepted as major steps towards accession. During 2014 and 2015, Serbian government took control of the public sector and employed thousands of new party members to form an "electorate" intended to keep the regime in power for the following years. The size of the country's public sector compared to its population is disproportionately large, and a large portion of Serbia's GDP goes towards public sector wages.[27] Over the last five years, the Corruption Perception Index has not changed significantly, and was even two points worse in 2018 than in 2014.[28] The EU's lack of consistency in analyzing the successes and failures of the accession process and its reluctance to hold the government accountable for regressive measures and deteriorating levels of transparency are among the main reasons for the inadequate progress in the area of corruption prevention in the country. Without the EU's clear guidance and decisive leadership, the Serbian government has no incentive to end unscrupulous practices and is not constrained in the making of new policies and regulations that make the current conditions even more problematic.

The EU's inconsistency with its core principles disenchanted the former advocates of the accession in Serbia, whose expectations from the EU were to improve the level of democracy and the rule of law in the country, and who are currently merely hoping for an opportunity to emigrate. According to the study published by Friedrich-Ebert-Stiftung, an astounding 75% of Serbian youth hopes to leave the country, citing the desire for a better standard of living as the main reason for emigration.[29]

However, as stated in the report, "the intensity of this desire is more related to a pessimistic view of the future of the Serbian society than to the difficulty of the current financial situation in which youth find themselves."[30] The study further showed that the youth is well aware of the problematic status of the basic democratic values in the country, as well as that they perceive the EU as a place where these same values are better realized. The data comparing the perception of the status of a number of values in Serbia and Europe is shown in Figure 3.

27      Bertelsmann Stiftung, *BTI 2018 Country Report — Serbia*. Gütersloh: Bertelsmann Stiftung, 2018.

28      Transparency International. *Corruption Perception Index: Serbia*. 2019.

29      Popadić, Dragan, et al. *Youth Study Serbia*. Friedrich-Ebert-Stiftung, May 2019.
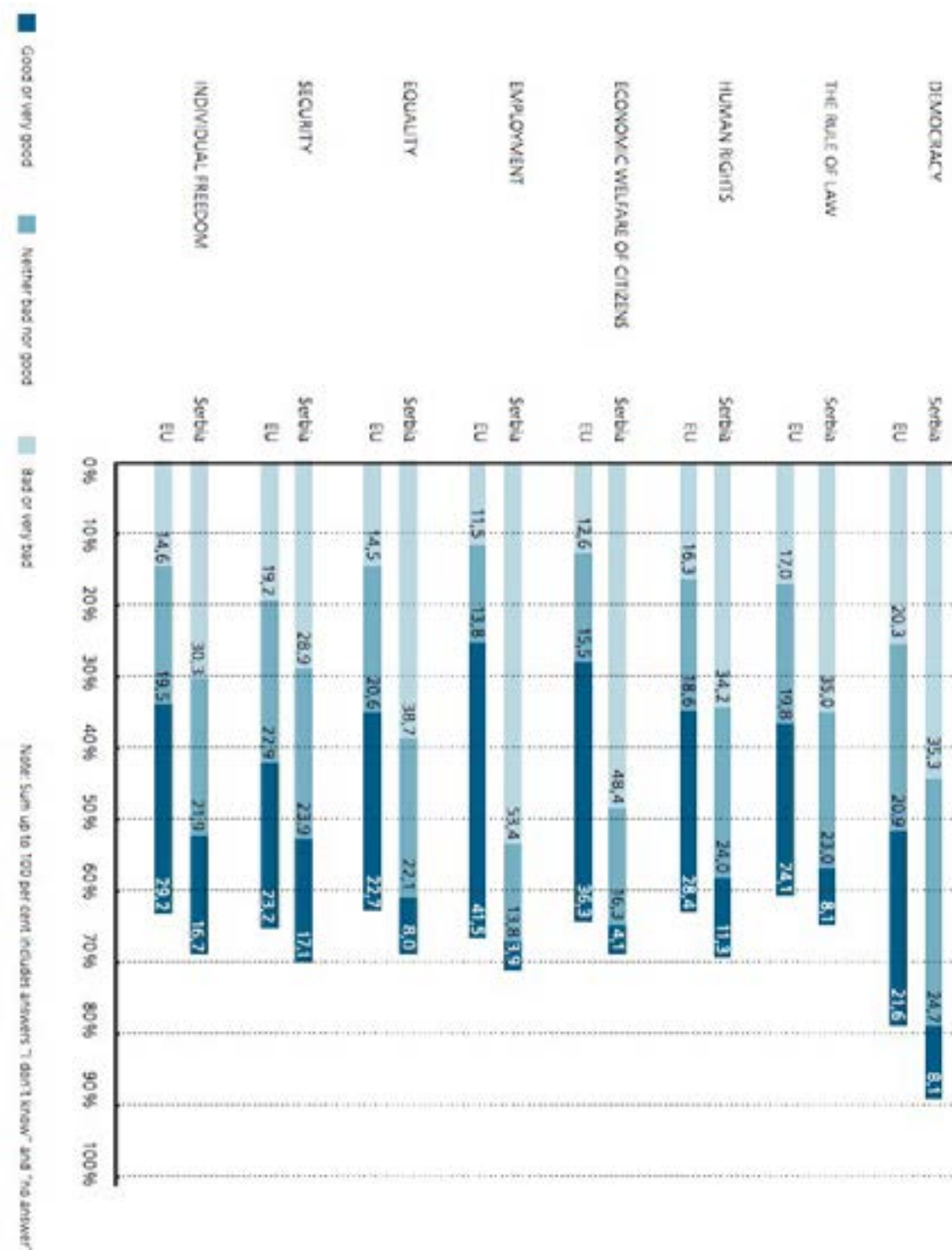
30      Ibid.

The overwhelming pessimism among the youth and their support for Serbia's accession being based mostly on their wish for increased opportunities to leave the country are clear indicators of the EU's lack of success of using conditionality to influence and demand improvement in the country.

## Credibility

The crises that the EU encountered over the past decade—the economic and migration crises, the annexation of Crimea, and Brexit—have both distracted the EU from enlargement and given rise to Euroscepticism. This has not only made the EU warier of expanding, but also made the prospect of joining the EU less appealing to the potential and current candidate states. Furthermore, the introduction of the Berlin Process, the EU initiative to enhance regional cooperation among the WB6 that was launched in 2014, arose suspicion that regional integration in the Western Balkans might become a substitute for EU membership, or that it might become a new condition for accession.

While the "new approach" helped clarify the requirements for the accession, it also significantly extended the enlargement process and undermined the credible perspective of membership. In the case of Croatia, it took 10 years from the filing of the official application for EU membership for the country to join in July of 2013. This year marks the 10th anniversary of Serbia's formal application, and with only two Chapters provisionally closed, the likelihood of joining by 2025 is decreasing on a daily basis.

Moreover, the public in the EU is currently very critical towards the enlargement. The Eurobarometer survey from November 2018 showed that, while largely in favor of further integration of the EU, the single policy that enjoys minority support is the future enlargement of the Union. The percentage of the EU citizens opposing enlargement reached 45%, while those in favor amount for 43% of the responses.[32] Furthermore, there is no clear consensus within the member states as well. While Poland, Italy, and Austria demonstrated willingness to expedite the negotiations with Serbia, countries like Germany, France, and Slovenia are more cautious.

Along with the decreasing credibility of joining the EU, there is also a lack of conviction that the EU would completely abandon the accession process if Serbia continued to make little to no progress in reform implementation. This is largely due to the rising presence of Russian and Chinese influence in the country, actively challenging the narrative of EU integration as the natural path for the WB6. Although the EU's structural funds are still both larger and cheaper that Chinese loans, the latter come with "no strings attached" politically, directly contesting the conditionality in the EU's approach. Conditionality is only effective when there is a credible threat of the EU stopping the process if a government is not making progress on crucial domestic



Figure 3. Evaluations of the value status in Serbia and the EU[31]

31      Ibid.

32      Standard Eurobarometer 90. Annex Public Opinion in the European Union, November 2018.

reforms, and that is decreasingly true for Serbia.

Lastly, the duration of the accession process and its perceived award being obtainable only in the distant future disincentivize Serbia's leaders from implementing unpopular or costly reforms. Combined, all of these factors result in a substantial decrease in the effectiveness of conditionality in the case of Serbia.

### State Capacity

Although Serbia is considered to have the strongest administrative capacities in the WB6 group, they are still weak compared to the members of the EU. That is why both financial and administrative resources are crucial for any substantive accessions requirement implementation. Serbian economy is characterized by high levels of unemployment, corruption, mismanagement, and politicization of the public sector. These pose major obstacles to the improvement of the bureaucracy and the effectiveness of the government, placing Serbia's ability to comply with the EU's conditions in the hands of the EU's institutions themselves. Although there has been an increase in the resources invested in Serbia's judiciary, other areas still lack sufficient resources to reach capacity to reform.[33]

The 2016 Special report on the EU's pre-accession assistance for strengthening administrative capacities in the Western Balkans indicated that "the Commission did not apply conditionality sufficiently" and that the countries received little funding in areas vital for the improvement of the rule of law, such as "media freedom, public prosecution, and the fight against corruption and organized crime."[34] According to the report, the EU invested €485 million in the rule of law projects, but only 0.5% of total allocations were directed towards funding media freedom and civil society in the Western Balkans. The projects fighting corruption and organized crime received 2% of the funds, and those supporting public prosecution services received 1% of all investments.[35] There is a strong correlation between the underperformance in reform implementation and the lack of capacity-building and underfunding of these areas.

### Political Costs

Added to disruptive factors to conditionality in Serbia's accession negotiations are the high

domestic costs of complying with the EU's requirements. The Negotiation Framework for Serbia was unique in its use of Chapter 35. Traditionally, this is used to address "any other business" not covered in other negotiation chapters, but in the case of Serbia this chapter gained considerable importance, since it is aimed mainly on the implementation of the agreements reached in the Belgrade-Priština dialogue. The focus is not on the legal status of parties, but the normalization of conditions for people living in the disputed territories.

Since there is no consensus within the EU on the issue of Kosovo's independence, its role is that of a neutral actor. This leaves Serbia and Kosovo without guidelines on how to address the issue and how to move forward if either party chooses to obstruct the dialogue. Without the EU leading the process, the prospect of closing Chapter 35 is reduced to Serbia's willingness to recognize Kosovo's independence. In a public opinion survey from November of 2018, 76% of respondents from Serbia said they disagree with the idea of trading Kosovo's independence for a membership in the EU.[36]

This sends a clear message to the Serbian president Aleksandar Vučić, giving him no incentive to risk his political career and pay the price of joining the EU with his position and political capital. The public opposition to Kosovo's independence also provides Vučić with the opportunity to declaratively support EU values, and blame the citizens for the lack of cooperation and compliance. If the EU does criticize Vučić's behavior, he quickly uses it to reaffirm the narrative that the goal of the West is to weaken Serbia, and that Russia and China are more honest friends who support the country's sovereignty and territorial integrity.

Just before the recent Western Balkans summit in Berlin in May 2019, during which the leaders from the region were supposed to discuss ways to improve regional cooperation and resume their discussions on bilateral disputes and conflicts, Vučić paid state visits to both Russia and China. Even though the purpose of the visits was to enhance economic cooperation and attract further investments, the Serbian president did not miss the opportunity to share the support his country received by presidents Putin and Xi, particularly regarding their respect for Serbia's autonomy and sovereignty. These statements were shared both in the Serbian media and on Vučić's Twitter account, once again implying that Serbia has just as, if not more attractive alternatives for alliance and cooperation than the EU. The summit did not result in any movement in the negotiations, but Vučić's growing show of disinclination to compromise relayed a message illustrating just how challenging the process of integration will be in this region.

The European Union's past decisions to turn a blind eye to the semi-authoritarian practices in Serbia in exchange for more stability in the region lead to Vučić reinforcing his power domestically, and interpreting the previous concessions as signs that even a small level of responsiveness to the EU's demands is enough to obtain compromise in a range of questionable domestic policies. Even leaders who are more supportive of the EU do not easily accept the reforms of the institutions that work favorably to their political interests. Hence, Vučić's reluctance to fully commit to the reform

---

33     Mendelski, M. Where does the European Union Make a Difference? Rule of Law Development in the Western Balkans and Beyond. *European Integration and Transformation in the Western Balkans: Europeanisation or Business as Usual*, ed. A. Elbasani, 101–119. London: Routledge, 2013.

34     European Court of Auditors. *EU Pre-accession Assistance for Strengthening Administrative Capacity in the Western Balkans: A Meta-audit*. 2016.

35     Ibid.

36     Demostat. *Javnomnenjsko Omnibus Istraživanje CATI-DEMOSTAT, Jesen 2018.* 2 November 2018.

implementation is not surprising.

**Conclusion**

Even though the premise of the "new approach" was to better prepare both the candidate state and the EU for another enlargement, the lack of progress indicates that the strategy might have to be reexamined in the near future. The EU enjoyed the privileged asymmetrical relationship with Serbia for as long as there has been a relationship between the two parties at all, but the refusal to make a commitment to admit Serbia to the Union might not be as viable of an option as it was ten years ago. The changes both within the Union and within the Western Balkans require a transparent and precise plan for accession, or the EU risks losing its influence in the region in its entirety.

Unfortunately, the EU currently lacks both the adequate tools and political cohesion to help Serbia achieve the goals set before it. The EU's negotiation strategy also lacks clear rules and guidelines for improving and safeguarding the democratic principles and the rule of law, which gives little confidence in the likelihood of rapid and significant improvement in those areas, especially when combined with the democratic backsliding in some of the member states and the EU's inability to tackle it.

Furthermore, the EU does not have the acqui on sensitive issues important for Serbia, and thus cannot provide neither support nor legitimate standards for the country to reach. Even the simplest decisions about administrative reforms can be observed through the lens of ethnonational interests, so any effort to use conditionality is undermined by ethnonationalist considerations and concerns about the balance of power. Contributing to the Belgrade-Priština dialogue as a neutral mediator worked while the parties perceived the costs of the talks as low enough for them to engage and make concessions. However, at the moment, with the situation being quite the opposite, the EU has no leverage or influence to exert that would put the conversation between the two parties back on track.

Both the EU and Serbia, as well as other relevant actors, know that taking the full membership off the table is no longer a choice. Serbia has indicated its willingness to serve as Russian and Chinese point of entry in Europe, and its geopolitical position and the credibility of the threat make it hard for the EU to ignore. Likewise, the prospect of Serbia joining the EU is not much more credible either, especially since it would entail another wave of enlargement and accession of all six of the Western Balkan countries to avoid conflicts in the future.

There is a general understanding that most of the conditions of effective conditionality were weaker in the Western Balkans from the start. However, although the "new approach" improved the determinacy of EU conditions in the accession talks, all other elements—credibility of accession, state capacities and political costs—either remained as bad or have gotten worse since the beginning of the negotiations. The formal conditionality and the adoption of EU rules,

institutions, and administrative practices that occurred during previous accession processes are not evident in Serbia's case.

While the EU can credibly argue that enlargement and the use of conditionality have been its most successful democracy promotion policies so far, there are strong signals that the strategy needs adjustments and corrections to regain its previous function. Although this was noted earlier in the process as well, this time the EU does not have the privilege to postpone the decision and dodge a commitment. The EU has to decide whether it wants Serbia in the Union, or let Russia and China make that decision for it.

**REFERENCES**

Amnesty International. *Amnesty International Report 2000 - Yugoslavia, Federal Republic of.* 1 June 2000.

Asylum Information Database (AIDA). *Common Asylum System at a Turning Point: Refugees Caught in Europe's Solidarity Crisis.* 2015.

BIRN. *Hahn Demands Proof of Serbia Media Censorship.* Belgrade, 17 February 2015.

Demostat. *Javnomnenjsko Omnibus Istraživanje CATI-DEMOSTAT, Jesen 2018.* 2 November 2018.

European Commission. *A credible enlargement perspective for and enhanced EU engagement with the Western Balkans.* 6 February 2018.

European Commission. *Commission Staff Working Document: Serbia 2018 Report.* 17 April 2018.

European Commission. *Commission Staff Working Document: Serbia 2015 Report.* 2015.

European Commission. *Serbia 2014 Progress Report.* 8 October 2014.

European Commission. *Serbia 2015 Progress Report.* 10 November 2015.

European Court of Auditors. *EU Pre-accession Assistance for Strengthening Administrative Capacity in the Western Balkans: A Meta-audit.* 2016.

European Parliament, DG External Policies, Policy Department. *Freedom of the Media in the Western Balkans,* 2014.

European Parliament. *Resolution on the Commission's Communication on the Enlargement Strategy and Main Challenges 2006-2007.* 2006.

Freedom House. *Freedom in the World 2009: Croatia.* 2009.

Freedom House. *Freedom in the World 2018: Serbia.* 2018.

Human Rights Watch. *Civilian Deaths in the NATO Air Campaign.* February 2000.

Lehne, S. *Serbia-Kosovo Deal Should Boost the EU's Western Balkans Policy.* Carnegie Europe, 23 April 2013.

Mendelski, M. Where does the European Union Make a Difference? Rule of Law Development in the Western Balkans and Beyond. *European Integration and Transformation in the Western Balkans: Europeanisation or Business as Usual,* ed. A. Elbasani, 101–119. London: Routledge, 2013.

Nechev, Z., et al. "Embedding Rule of Law in the Enlargement Process: A Case for the EU Political Conditionality in the Accession of the Western Balkan Countries." Association for Development Initiatives—Zenith, 2013.

Popadić, Dragan, et al. *Youth Study Serbia.* Friedrich-Ebert-Stiftung, May 2019.

Standard Eurobarometer 90. Annex Public Opinion in the European Union, November 2018.

Transparency International. *Corruption Perception Index 2009.* 2009.

Transparency International. *Corruption Perception Index 2018.* 2018.

Tuhina, Gjeraqina. *Izveštaj EK: Srbija Nije Napredovala u Ključnim Oblastima.* Radio Slobodna Evropa, 15 Noember 2018.

WJP. *Rule of Law Index: Croatia.* 2010.

WJP. *Rule of Law Index: Serbia.* 2018.

Zhelyazkova, Asya, et al. "European Union Conditionality in the Western Balkans: External Incentives and Europeanisation." *The Europeanisation of the Western Balkans.* Palgrave Macmillan, Cham, 2019: 19.

# What Future Lies For EU-Armenian Relations After the 'Velvet Revolution' in the Spring of 2018

By HANNAH BRANDT

Hannah Brandt is a BA candidate in Politics and Law at Sciences Po Paris. She is an intern at the Hudson Center for Political-Military Analysis. Hannah is passionate about the study and research of Eurasia, as well as of human rights, transitional justice and international security.

*This paper discusses how, and in which ways, the newly-signed Comprehensive and Enhanced Partnership Agreement will affect the relations between the European Union and Armenia. It will examine how this new agreement interacts with the 2013 Armenian-EU "abortive Association Agreement and Deep and Comprehensive Foreign Trade Agreement". The impact of the 'Velvet Revolution' of 2018, and other factors such as "power-based [...] regional patterns of dependencies" linked to the Eurasian Economic Union and Russian influence on Armenia-EU relations will also be investigated (Kostanyan and Giragosian, 2017, p.3; Delcour and Wolczuk, 2015, p.5). Furthermore, it analyses the current Comprehensive and Enhanced Partnership Agreement framework and makes a case for an Association Agreement, which highlights the strengths, weaknesses and obstacles related to this form of Armenian 'Europeanisation'.*

Keywords: *Armenia, ENP, Association Agreement, Deep and Comprehensive Foreign Trade Agreement, CFSP, Eurasian Economic Union, European Union*

**List of Acronyms**
AA- Association Agreement
CEPA- Comprehensive and Enhanced Partnership Agreement
DCFTA- Deep and Comprehensive Foreign Trade Agreement
EAEU (or EEU)- Eurasian Economic Union
ENP- European Neighbourhood Policy
EU- European Union
FTA- Free Trade Agreement
PCA- Partnership and Cooperation Agreement
PM- Prime Minister
RPA- Republican Party of Armenia

NB: *Acronyms are used throughout this paper. An exhaustive list has been written out in full in the glossary of abbreviations in the appendix.*

## INTRODUCTION

### Armenia in transformative times

Armenia has not always been at the centre of the European Union's (EU) domestic and foreign policy. However, Armenia and the other states of the South Caucasus have been taking on greater importance in EU and EU member state discourse and relations. Only in 2018, Armenian Prime Minister Nikol Pashinyan was invited to deliver remarks at the 2018 Paris Peace Forum. Other speakers included German Chancellor, Angela Merkel, and the UN Secretary General, Antonio Guterres, displaying Armenia's perceived equal stance in the international community ("'History is able to change us to make our future better' – Pashinyan delivers remarks at Paris Peace Forum", 2018). In addition, Armenia's hosting of the 17th Francophonie summit of the International Organization of La Francophonie in October 2018 demonstrates a clear rapprochement between France and Armenia, as this international organization represents francophone countries and regions and those where there is a notable affiliation with French culture (Organisation Internationale de la Francophonie, n.d.). Also, the 2018 Frankfurt Book Fair (Frankfurter Buchmesse) featured the South Caucasus country of Georgia as Ehrengast (Buchmesse, n.d.). One could therefore determine out of these events that Armenia and the South Caucasus are gaining greater recognition in the European and EU discourses.

Further recognition was given by the High Representative of the Union for Foreign Affairs and Security Policy, Federica Mogherini, in June 2019 when she stated that Armenia-EU relations are at an "excellent" level which are demonstrated by a 15% increase in the 2018 trade volume between them ("Mogherini describes relations with Armenia as 'excellent'", 2019; "EU-Armenia Partnership Implementation Report: EU is a crucial partner for Armenia's reform agenda", 2019). The total trade measured to €1.1 billion ($1,2 billion), a sum far superior to the €521,6 million ($579,5 million) exchanged with the Eurasian Economic Union (EAEU) members Russia, Belarus and Kazakhstan, and the other five CIS countries combined ("Armenia's Receding European Ambitions", 2013; "Экспорт Армении по итогам 2017 года составил $2 242.9 млн., рост стал максимальным за 5 лет", 2018). Whilst EU-Armenia relations are still predominantly concerned with cultural trends, one could ask what the future holds for further legal rapprochement between the EU and Armenia. Particularly with regard to the European Neighbourhood Policy's (ENP) declared objectives of "strengthen[ing] the prosperity, stability and security of all [neighbouring countries]" and implementing a "strong framework for relations with partners to the south and east, [...] with a new dimension in the Union for the Mediterranean and the Eastern Partnership [countries]. The ENP thus works to assure the ultimate aim of "A Secure Europe in a Better World" (Bartczak and Jongberg, 2017, p.1; Council of the European Union, 2009, p.8; Council of the European Union, 2003, p.4).

On the 27th of November 2018 the EU and Armenia took steps to reaching these objectives when they held the first meeting of the Partnership Committee under the Comprehensive and Enhanced Partnership Agreement (CEPA), signed by Armenia, the EU and its Member States on the 20th of November 2017 (European External Action Service, 2018; Council Decision (EU)

2018/104, 2017). The CEPA, which applies provisionally since June 2018, is the first of its kind because it accommodates for the lacking free-trade prerequisites, while also approaching the political pillar requirements found in the EU AA's.

Strengthened political cooperation is of particular interest to any AA being put forward by the EU, and is much more feasible under the new societal circumstances from the 2018 'Velvet Revolution'. In fact, while in 2017 former President, and the then Prime Minister, Serzh Sarkissian signed the CEPA, the 'Velvet Revolution' saw him ousted and the power of the Republican Party of Armenia's governing coalition reduced. Prime Minister Nikol Pashinyan had subsequently de facto taken over the country, until being confirmed in his role through the snap elections held on December 9th, 2018 ("Armenia election: PM Nikol Pashinyan wins by a landslide", 2018). Given these circumstances, the Armenian political situation has altered slightly, and the 20 years of competitive authoritarian rule coming to a close may lead to further rapprochement with the EU.

**Implementation trends of EU acquis**

In this section, the three major parameters that delineate the EU's influence on domestic change in the Eastern neighbourhood, identified in the literature of Laure Delcour and Kataryna Wolczuk, external governance, domestic structures, and power distribution, are addressed and contextualized in regard to the political, economic, and social climate of post-revolutionary Armenia (2015, p.4).

**External Governance Approach**

The first approach to quantifying Europeanisation stimuli beyond EU enlargement is the 'external governance approach' (Lavenex and Schimmelfennig, 2009, as cited in Delcour and Wolczuk, 2015, p.4). This parameter underscores the effectiveness of rule transfer, whereby, existing EU institutions and regulations provide a template for third countries, such as Armenia, to follow. The EU's normative power in EU-Armenian relations marks these countries' rapport. Since 1991, the EU has supported Armenia in multiple domains through programs such as the European Civil and Humanitarian Aid Operations (ECHO), which transfers knowledge of preventative measures to reduce the impacts of natural disasters from the EU to Armenia, Food Aid Operations through the European Agricultural Guidance and Guarantee Fund (EAGGF)[1], and the Technical Aid to the Commonwealth of Independent States (TACIS) program for the transition towards democratic market-oriented economies (Hovhannisyan and Sahakyan, 2017, p.7). This program ultimately backed Armenia's accession to the World Trade Organization (WTO) in 2003 (WTO, n.d.). In July 2003, the EU appointed a Special Representative for the South Caucasus and Georgia for the promotion of the EU's policies and the consolidation of peace, stability and the rule of law in this region.

---

[1]    Armenia benefitted from the EAGGF, which was replaced by the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) in 2007.

Furthermore, Armenia has been part of the ENP since 2004 and benefits from the Neighbourhood Investment Facility (NIF). This country has been in the Eastern Partnership (EaP) since the EaP's creation in 2009 and has been a part of the Mobility Partnership since 2011. Since 2013, Armenia has benefitted from the Generalized Scheme of Preferences (GSP+) although it does not actually make use of the export quota (European External Action Service, n.d.; Delcour and Wolczuk, 2015, p.6). The dialogue on visa liberalization, a benefit Georgia, Ukraine and Moldova enjoy through their respective Association Agreements (AA) with the EU, was officially launched on January 18, 2019 ("Armenia starts visa liberalization dialogue with EU member states", 2019).

Since 2014 Armenia has received €120 million from the EU with total investments amounting up to €400 million ("EU increases financial aid for Armenia", 2019). Funding was provided for the country's development of the economic system and business environment, innovation and programmes for the improvement in the rule of law. As such, the EU provided assistance for the conduct of elections and the expansion of the transportation network. An increase in monetary support for Armenia, amounting to a total sum of €40 million for 2019, has been secured following the 'Velvet Revolution'. This will aid the planned legal and education reforms ("EU increases financial aid for Armenia", 2019).

Armenia is also a member state of the Euronest Parliamentary Assembly, the Council of Europe, and a participant in various other European programs and treaties, such as the European Cultural Convention, European Higher Education Area and the European Court of Human Rights. These multiple memberships allow Armenia to forge closer economic and political ties with the European Union which undermines the EU's otherwise dominant influence because it grants Armenia equal footing as other EU members within these institutions. This bargain furthermore neither requires nor leads to EU membership for Armenia - a deal Armenia and the EU are willing to accept.

Present relations between the EU and Armenia are based on the 2017 CEPA, and therefore supplemented by existing relations that were grounded on the 1999 Partnership and Cooperation Agreement (PCA) (Analytical Centre on Globalization and Regional Cooperation et al., 2018; European Commission, 1996). Although the legal nature of this agreement renders it rather inflexible and consequently not as many significant changes have been made in relation to Armenia's post-revolutionary years, the two last CEPA events happened well after the 'Velvet Revolution'. One can thus presume that the post-revolutionary situation has been taken into account.

**Domestic Structure Variable**

The domestic structure variable for enacting EU frameworks with a third country builds off the external governance approach as it presupposes the compatibility of EU rules with the partner country's traditions, institutions and practices. This makes the potential for EU influence intrinsically linked to the nature of the third country's political regime. Anja Franke et al. use this reasoning for Armenia, as they point out that the remaining "Soviet-era mentality" in Armenia

hinders the implementation of EU rules (2010, as cited in Delcour and Wolczuk, 2015, p.5). Tanja Börzel and Thomas Risse further suggest that there is a correlation between the degree of democracy and the willingness of a third country to apply the EU framework regulations (2012, as cited in Delcour and Wolczuk, 2015, p.5). Armenia's recent history of competitive authoritarianism would therefore suggest low levels of application.

This contrasts with the post-revolutionary setting that has forced the resignation of members of the ancien régime's political elite amidst calls for substantial electoral, judiciary, economic and healthcare reforms. These circumstances strengthen Armenia's move towards democracy, and thereby its convergence with the EU requirements for human rights, the rule of law and good governance (Delcour and Wolczuk, 2015, p.5).

**Power-based Explanations**

The third and final approach to exploring the relational dynamic between the EU and third countries uses 'power-based explanations' (Lavenex and Schimmelfennig, 2009, as cited in Delcour and Wolczuk, 2015, p.5). This approach considers the nature of (regional) (inter)dependencies, power asymmetries, and cooperation incentives resulting from the perspective of states of the prospective membership. As such, Judith Kelley argues that third countries are not as likely to implement EU acquis, if the EU's leverage is too weak due to the lack of membership prospects (2006, as cited in Delcour and Wolczuk, 2015, p.4). Given the geographical distance of Armenia to the EU and the 2005 enlargement strategy paper of the European Commission, it is reasonable to deduce that Armenia is among the countries for which there is 'Integration without Membership' (European Commission, 2005). This does not appear to be a problem as, unlike the positions of Ukraine and Georgia, Armenia has never expressed membership aspirations (Delcour and Wolczuk, 2015, p.4). Furthermore, Armenia's membership in the EAEU, an organization made up of preponderant Russia, Kazakhstan, Kyrgyzstan and Belarus, creates tensions between Russia's "natural 'sphere of influence'" and the EU's neighborhood policy that promotes "a ring of well governed countries to the East of the European Union and on the borders of the Mediterranean" (Kostanyan and Giragosian, 2017, p.4; Council of the European Union, 2003, p.4).

To illustrate the contrast between the EU and EAEU stances we can see that in the period from 2010 until the end of AA agreement negotiations in 2013, Armenia appeared very receptive to the EU templates pertaining to the EU's conditionality because they were seen as "a timely stimulus for modernizing the country" (Delcour and Wolczuk, 2015, p.6,11). In contrast Sarkissian's decision to join the EAEU in the same year drew hefty criticism, especially from the former Armenian Parliamentarian, Pashinyan, who was one of the strongest opponents of Armenia drifting away from the EU. As the currently elected prime minister of Armenia today, Pashinyan continues to foster EU-Armenia relations whilst tempering his idealism within the realities of governance and the international political system ("Armenia to Deepen Relations with European Union, Pashinyan Says.", 2018).

These realities include the strong influence of the more conservative Republican Party of Armenia's in Parliament and the country's inherent risk of facing an Azerbaijani military offensive which places an imbalanced reliance on Russia for security ("Pashinyan Says Republican Party of Armenia, Prosperous Armenia and the ARF Have Promised Not to Nominate Candidates for the Post of Prime Minister, 2018). These conclusions are highlighted by Pashinyan himself as he has explicitly stated that "I do not speak to any leader as much as I speak to the Russian president" ("Pashinyan: 'I do not speak to any leader as much as I speak to the Russian President'", 2018).

Russo-Armenian relations are clearly forged around Russian displays of power, that are wholly facilitated by their military bases in Armenia ("Pashinyan: Russian Military Base Is Very Important Part of Armenia Security System.", 2018). When this is coupled with a decidedly aggressive Russian foreign policy, as demonstrated with the forceful annexation of Crimea in 2014, the underlying power dynamic is illuminated (Haukkala, 2016, p.89). Therefore, it is important to state that 'power asymmetries' do not only form through interdependencies, but also develop from the actor that the third country relies on most (Lavenex and Schimmelfennig, 2009, as cited in Delcour and Wolczuk, 2015, p.6)

This is visible by looking at the degree of trade relations between the EU and Armenia, and noticing how they are far lower than those between Armenia and Russia. In fact, Armenia's trade dependency on Russia in regard to energy, labour, security, and gas in part through its membership in the Collective Security Treaty Organization (CSTO), is striking ("Armenian Minister Complains About Gas Deals With Russia.", 2018).

However, Armenia has been taking action to diversify its trade portfolio in order to reduce their dependence on Russia. These efforts include energy cooperation with the Italian company Renco and the country's bilateral cooperation with the North Atlantic Treaty Organization (NATO) ("Armenian Government Signs Revised Energy Deal With Italian Firm.", 2018; NATO, n.d.).

These measures are present with the evident weakening of the EAEU, and may invite a new set of opportunities to deepen EU-Armenian cooperation. Moreover, the current strained Armenian-Russian relations have drawn the EU's attention to Armenia's ruling political and commercial elite, as well as with the wider spectrum of Armenian society
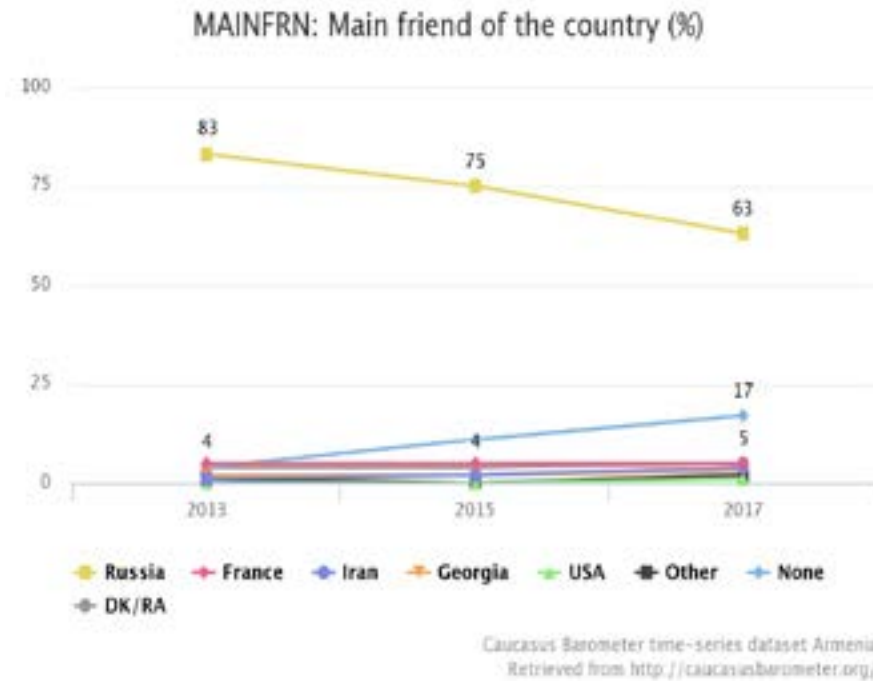
Figure 1. Caucasus Research Resource Center, n.d; "Press review: Russia angered by Armenia's actions and Crimea opens door to EU.", 2018).

While certain factors of interdependencies, such as security and labour, remain rigidly fixed, there are others that are flourishing. The most present example appears to be an outcome of the 'Velvet Revolution', being the strengthening of democracy, and the positive cooperation between Armenian and EU institutions which will possibly lead to enhanced cooperation between Armenia and the EU in the future.

### The Case for an ENP Association Agreement

As previously demonstrated, based on ENP literature, Armenia-EU relations should positively develop after the changes initiated by the 'Velvet Revolution' are carried forth with the new democratically elected government and Prime Minister, Pashinyan. Therefore, one could argue that the pre-revolutionary CEP Agreement could be replaced by an even more institutionalized agreement, such as an Association Agreement (AA), especially given that "the new [CEPA] should be viewed as a short- to medium-term transitional deal, subject to review within the coming five years" (Kostanyan and Giragosian, 2017, p.5).

Although AAs may differ in their final content, and vary in the context of what existing agreements they will consult during their negotiation, they all meet the following criteria that serve as guidelines for the establishment of future AAs (European External Action Service, 2011).

First, the substantive legal basis is Article 217 TFEU;

> Second, there must be an intention to establish close economic and political cooperation (more than simple cooperation);

> Third, the creation of a paritary body for the management of the cooperation, competent to take decisions that bind the contracting parties;

Fourth, Most Favoured Nation (MFN) treatment must be ensured;

Fifth, a privileged relationship between the EU and its partner must be provided for;

> Sixth, the clause on the respect of human rights and democratic principles (1995) be systematically included and constituting an essential element of the agreement; Seventh, in a large number of cases, the AA replaces a cooperation agreement thereby intensifying the relations between the partners, and is mostly paired with Foreign Trade Agreements (FTA).

### AA in sight: Armenia's fulfilment of four criteria

As previously explained using historical, political, economic and legal factors, there are no obstacles to some of these requirements, whilst others face barriers that might mitigate or undermine their success in the Republic of Armenia. The substantive legal base for "establishing an association involving reciprocal rights and obligations, common action and special procedure" between the EU and Armenia is article 217 TFEU (Treaty on the Functioning of the European Union, 2007). Thus, the first requirement is already fulfilled.

Moreover, a CEPA Partnership Committee, working as "a paritary body for the management of the cooperation, competent to take decisions that bind the contracting parties" is also in place as necessitated by the third condition (European External Action Service, 2011).
The MFN Clause of requisite four can be found in Article 113 paragraph 1 of Title VI-Trade and Trade Related Matters of the current CEPA that states:
> "Each Party shall accord most-favoured-nation treatment to goods of the other Party in accordance with Article I of the General Agreement on Tariffs and Trade 1994 ("GATT 1994") contained in Annex 1A of the Marrakesh Agreement Establishing the World Trade Organization, done on 15 April 1994 ("WTO Agreement"), including its interpretative notes, which are incorporated into and made part of this Agreement, mutatis mutandis." (Comprehensive and Enhanced Partnership Agreement, 2017)

Lastly, despite Armenia's uneven record on human rights, the Preamble, Article 1(b) and Article 2 of CEPA fulfil the human rights and democratic principles prerequisites (Human Rights Watch, n.d.; Comprehensive and Enhance Partnership Agreement, 2017). In fact, when the EaP was first launched in 2009, the EU "accepted the non-democratic political status quo […] without making explicit political changes a precondition for closer ties", which is in partial fulfilment of

the sixth criterion (Delcour and Wolczuk, 2015, p.13).

**Obstacles towards an Armenian AA**

An issue of concern is found in Russia's unwillingness to comply with the second requirement for the AA agreement approval: "there must be an intention to establish close economic and political cooperation" (European External Action Service, 2011). However, there are not always disagreements, as in some cases the EU-Armenian and Russo-Armenian relations are quite easily compatible when there is a "high degree of complementarity" (Delcour and Wolczuk, 2015, p.14). For example, sectoral cooperation with the EU for migration has been easily implemented, as it is greatly in line with the Eurasian integration project.

On the contrary, economic modernization has been largely obstructed (although it is, together with political cooperation, enshrined in Article 1 of CEPA) due to the lack of 'commonality' (Delcour and Wolczuk, 2015, p.14). Therefore, economic cooperation, possible FTA's, and a privileged trading relationship between the EU and Armenia is presented with obstacles. More specifically, the EU and Armenia have encountered several new impediments, "ranging from constraints arising from Armenia's membership in the EAEU [which negated any change for an FTA] to considerations over the bilateral relationship between Armenia and Russia, especially in the area of energy" (Kostanyan and Giragosian, 2017, p.4).

Therefore, unless Armenia leaves the EAEU, which would likely entail economic hardship and military vulnerability towards Azerbaijan, given that Russia would most probably retire its 102$^{nd}$ military base in Armenia's second largest city Gyumri. These realities can be interpreted as Russian intimidation tactics that leave no possibility for an AA agreement between the EU and Armenia.

As such, contrary to Kostanyan and Giragosian's analysis, in which they suggest that "[t]he new agreement [, CEPA,] should be viewed as a short- to medium-term transitional deal, subject to review within the coming five years", one should say that the CEPA will most probably stay in place as it closely resembles other AAs (Kostanyan and Giragosian, 2017, p.5). As such, they both share the same procedural legal basis (Article 218 TFEU) and most substantive legal bases, such as Article 37 TEU for Common Foreign and Security Policy, Articles 91 and 100(2) TFEU for transport, Article 207 TFEU for Common Commercial Policy and Article 209 TFEU for Development Cooperation. However, one point of difference is Article 217 TFEU concerning an Association Agreement because, as previously discussed, Armenia's current economic situation limits the possibility of finalizing either an AA or DCFTA with the EU.

The current CEPA is thus an agreement sui generis, as it retakes the provisions of the AA/DCFTA with Ukraine, Georgia and Moldova (that Armenia should have signed in 2013 as well) and omits the aspects that conflict with Armenia's membership in the EAEU. Given this depiction the EU appears to have high hopes in bilateral relations with Armenia. Furthermore, thanks to the unprecedented "AA-minus" and the European 2.9-million-euro aid for Pashinyan's

snap parliamentary elections on 9 December 2018, Armenia shows itself less than ever as one of Europe's critical ring-of-fire-countries and with this performance calls for increased importance in EU discourse (Hovhanissyan and Sahakyan, 2017, p.8; "EU Official Sees Greater Aid To Armenia.", 2018).

**Not much change insight**

According to Delcour and Wolczuk's theory, the 'Velvet Revolution', changes in governance in Armenia, as well as increased implementation of EU frameworks would suggest an Armenian draw towards the EU. This has though, in practice not been the case. While Armenia continues to implement CEPA, given Armenia's persistent membership in the EAEU and Russia's dominance in Armenia, legal enhancement of EU-Armenia relations, as through an AA/DCFTA is unlikely.

**Glossary of abbreviations**

AA- Association Agreement

CCP- Common Commercial Policy

CEPA- Comprehensive and Enhanced Partnership Agreement

CFSP- Common Foreign and Security Policy

CSTO- Collective Security Treaty Organization

DCFTA- Deep and Comprehensive Foreign Trade Agreement

DG DevCo- Commission's Directorate-General for International Cooperation and Development

EAEU (or EEU)- Eurasian Economic Union

EAGGF- European Agricultural Guarantee and Guidance Fund

EaP- Eastern Partnership

EC- European Community

ECHO- European Civil Protection and Humanitarian Aid Operations

ENP- European Neighbourhood Policy

EU- European Union

FTA- Free Trade Agreement

GSP+- Generalized Scheme of Preferences

MFN- Most favoured nation (clause)

NATO- North Atlantic Treaty Organization

NIF- Neighbourhood Investment Facility

PCA- Partnership and Cooperation Agreement

PM- Prime Minister

RPA- Republican Party of Armenia

SPS- Sanitary and Phytosanitary Standards

TACIS- Technical Assistance to the Commonwealth of Independent States (and Georgia)

TEU- Treaty on the European Union

TFEU- Treaty on the Functioning of the European Union

WTO- World Trade Organization

**REFERNCES**

Annex to the Joint Proposal for a Council Decision on the conclusion, on behalf of the European Union, of the Comprehensive and Enhanced Partnership Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part and the Republic of Armenia, of the other part. (2017).

"Armenia starts visa liberalization dialogue with EU member states" Public Radio of Armenia. Accessed January 19, 2019.
https://armradio.am/en/4916

"Armenia's Receding European Ambitions" Institute for War and Peace Reporting, October 18, 2013. Accessed July 27, 2019.
http://iwpr.net/report-news/armenias-receding-european-ambitions),

"Armenia to Deepen Relations with European Union, Pashinyan Says." ARKA News Agency. Accessed December 2, 2018. http://arka.am/en/news/politics/armenia_to_deepen_relations_with_european_union_pashinyan_says_/.

"Armenian Government Signs Revised Energy Deal With Italian Firm." . Accessed December 2, 2018. https://www.azatutyun.am/a/29598816.html.

"Armenian Minister Complains About Gas Deals With Russia.". Accessed December 2, 2018. https://www.azatutyun.am/a/29613249.html.

Bartczak, Krzysztof, and Kirsten Jongberg. "The European Neighbourhood Policy," 2017, 5.

Council Decision (EU) 2018/104 of 20 November 2017 on the signing, on behalf of the Union, and provisional application of the Comprehensive and Enhanced Partnership Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and the Republic of Armenia, of the other part (2018).

Caucasus Research Resource Center-Armenia. Time Series Armenia: "MAINFRN: Main friend of the country (%)". Accessed August 27, 2019. https://www.caucasusbarometer.org/en/cb-am/MAINFRN/

Council of the European Union. "A Secure Europe in a Better World-European Security Strategy," December 12, 2003.

Council of the European Union. "European Security Strategy-A Secure Europe in a Better World," 2009.

"Consolidated versions of the Treaty on European Union and the Treaty on the Functioning of the European Union - Consolidated version of the Treaty on the Functioning of the European Union - Protocols - Annexes - Declarations annexed to the Final Act of the Intergovernmental Conference which adopted the Treaty of Lisbon, signed on 13 December 2007 - Tables of equivalences" Official Journal C 326 , 26/10/2012 P. 0001 - 0390

Delcour, Laure, and Kataryna Wolczuk. "The EU's Unexpected 'Ideal Neighbour'? The Perplexing Case of Armenia's Europeanisation." Journal of European Integration 37, no. 4 (2015): 491–507. https://doi.org/10.1080/07036337.2015.1004631.

"Экспорт Армении по итогам 2017 года составил $2 242.9 млн., рост стал максимальным за 5 лет." Arka News Agency. Accessed August 27, 2019. http://arka.am/ru/news/economy/eksport_armenii_po_itogam_2017_goda_sostavil_2_242_9_mln_rost_stal_

maksimalnym_za_5_let/.

"EU - Armenia Comprehensive and Enhanced Partnership Agreement (CEPA) ROADMAP," 2018, 41.

"EU-Armenia Partnership Implementation Report: EU is a crucial partner for Armenia's reform agenda" Armenpress. Accessed July 23, 2019. https://armenpress.am/eng/news/975571.html.

"EU increases financial aid for Armenia" JAMnews. Accessed August 29, 2019. https://jam-news.net/eu-increases-financial-aid-for-armenia/.

"EU Official Sees Greater Aid To Armenia.". Accessed December 2, 2018. https://www.azatutyun.am/a/29626024.html.

European Commission. "Communication from the Commission - 2005 Enlargement Strategy Paper EUR-Lex - 52005DC0561." Text/html; charset=UTF-8. Accessed December 2, 2018. https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2005:0561:FIN:EN:HTML.

European Union External Action Service. "Association Agreements," May 11, 2011. http://www.eeas.europa.eu/archives/docs/association/docs/agreements_en.pdf.

"Fact Sheet on EU-Armenia Relations - EEAS - European External Action Service - European Commission." EEAS - European External Action Service. Accessed November 19, 2018. https://eeas.europa.eu/headquarters/headquarters-homepage_en/4080/Fact sheet on EU-Armenia relations.

Haukkala, Hiski. "The EU's Regional Normative Hegemony Encounters Hard Realities: The Revised European Neighbourhood Policy and the Ring of Fire." In The Revised European Neighbourhood Policy: Methodological, Conceptual and Empirical Challenges, n.d.

"'History Is Able to Change Us to Make Our Future Better' – Pashinyan Delivers Remarks at Paris Peace Forum." armenpress.am. Accessed December 2, 2018. https://armenpress.am/eng/news/954110.html.

Hovhannisyan, Mikayel, and Julya Sahakyan. "Adopting Experience of Bilateral EU-Moldova and EU-Georgia Civil Society Platforms to Armenia Report on Armenia," n.d.

Human Rights Watch. "Human Rights in Armenia." Human Rights Watch. Accessed December 2, 2018. https://www.hrw.org/europe/central-asia/armenia.

"'I Do Not Speak to Any Leader as Much as I Speak to the Russian President' Says Pashinyan." Accessed December 2, 2018. https://www.aravot-en.am/2018/12/01/224830/.

"Joint Press Release: European Union - Armenia Partnership Committee - EEAS - European External Action Service - European Commission." EEAS - European External Action Service. Accessed December 2, 2018. https://eeas.europa.eu/delegations/armenia_en/54509/Joint Press Release: European Union - Armenia Partnership Committee.

Kostanyan, Hrant, and Richard Giragosian. "EU-Armenian Relations: Charting a Fresh Course," n.d., 1–32.

"Mogherini describes relations with Armenia as 'excellent'" Newsinfo. Accessed July 23, 2019. https://www.newsinfo.am/eng/article/view/NkedNA42AI

NATO. "Relations with Armenia." NATO. Accessed December 2, 2018. http://www.nato.int/cps/

# Greater Europe From Lisbon to Vladivostok:

## Challenges and Perspectives of a Common Economic Space

### By DMITRY EROKHIN

Dmitry Erokhin holds a B.Sc. in Economics at the University of Bonn. He is pursuing a M.Sc. in Economics at the Vienna University of Economics and Business. Dmitry is a research assistant at the International Institute for Applied Systems Analysis. His current professional interest concerns Eurasian integration.

*This paper aims to review the history of the idea of a free trade area from Lisbon to Vladivostok, or more specifically the creation of a free trade area between the European Union and the Eurasian Economic Union (or Russia in earlier versions of this idea). The present state of trade and investment relations between Russia and the European Union is examined. An extensive literature review is provided on the benefits of establishing a free trade area between the European Union and Russia (or the Eurasian Economic Union). Concrete steps for the potential strengthening of cooperation between the Unions are outlined. The barriers to integration are discussed in detail, as well as the challenges within the Eurasian Economic Union. It is shown that a dialogue between the European Union and the Eurasian Economic Union will allow them to restore and expand economic cooperation and take another step towards the realization of the concept of a common economic space from Lisbon to Vladivostok, beneficial to all parties involved.*

## INTRODUCTION

### The Concept of Greater Europe

The concept of Greater Europe, involving the rapprochement and integration of Russia and European countries, is not new. In 1959, in his famous speech, French President Charles de Gaulle spoke in favour of an alliance from the Atlantic to the Urals, which "will decide the fate of the world" (Le voyage présidentiel en Alsace, 1959). 26 years later, the General Secretary of the CPSU Central Committee, Mikhail Gorbachev, called Europe the common home (*The visit of the General Secretary of the CPSU Central Committee, Mikhail Gorbachev, to France, 1985*).

In 1994, the Partnership and Cooperation Agreement between the European Union and Russia was signed. One of its main objectives was to create the necessary conditions for the future establishment of a free trade area between the EU and Russia covering substantially all trade in goods between them as well as conditions for bringing about freedom of establishment of companies, of cross-border trade in services and of capital movements (Agreement on partnership and cooperation establishing a partnership between the European Communities and their Member States, of one part, and the Russian Federation, of the other part, 1994).

In 2001, with the assistance of the President of the European Commission Romano Prodi, a group was convened to develop a project for a common European economic space (Joint Statement on the Energy Dialogue by President of the Russian Federation Vladimir Putin, President of the European Council Guy Verhofstadt, with the assistance of the Secretary General of the Council of the EU/High Representative for the Common Foreign and Security Policy Javier Solana and President of the European Commission Romano Prodi, 2001). In the same year, Russian President Vladimir Putin, in his landmark speech in Germany before the Bundestag, declared the importance of close trade and economic relations between Russia and Europe (Word protocol of Vladimir Putin's speech in the German Bundestag, 2001). This was followed by the adoption of the "Roadmap" for the Common Economic Space in 2005 (EU and Russia: A roadmap for the Common Economic Space (CES), 2005). In 2010, in an article in Süddeutsche Zeitung, Putin proposed the creation of a free trade area from Lisbon to Vladivostok (Putin: Plea for Economic Community from Lisbon to Vladivostok, 2010). He later consolidated and confirmed this idea in 2013 (Foreign Policy Concept of the Russian Federation, 2013) and 2016 in the concepts of Russian foreign policy. According to these, the formation of a common economic and humanitarian space from the Atlantic to the Pacific, on the basis of harmonization and conjugation of European and Eurasian integration, was seen as a strategic task in relations with the EU (Foreign Policy Concept of the Russian Federation, 2016).

The political crises between Russia and Europe seemed to freeze the project for many years, making it increasingly difficult to pursue. However, in February 2017, the leading economic research institute of Germany Ifo published an article in which it considered the free trade area from Lisbon to Vladivostok not only realizable, but also beneficial for both parties (Felbermayr, G., & Gröschl, J., 2017). A signal event took place on June 21, 2019: the top officials of the Eurasian Economic Commission (EEC) and the European Commission had a first official public meeting (Kofner, 2019). The meeting was held at the EEC in Moscow. The EU delegation was led by Ignacio Garcia Bercero, a director at the Directorate General for Trade in charge of neighbouring countries, and the EAEU was represented by Veronika Nikishina, a member of the EAEU Board and Minister in Charge of Trade. The goal of the meeting was to promote dialogue on the technical aspects of trade policies, technical regulation, customs legislation, digitalization, as well as exchange of information on the regulatory framework of mutual interest (Eurasian Economic Commission and European Commission are building technical dialogue, 2019).

Furthermore, after a recent meeting with Russian President Putin, French President Macron published a post in Russian on his Facebook page. He noted that he considers Russia a deeply European country and believes in a Europe stretching from Lisbon to Vladivostok (Blogging on Facebook in Russian, Macron notes progress in ties with Moscow, 2019).

**Trade between Russia and the European Union**

In 2018, the foreign trade turnover of Russia with the countries of the European Union reached 294.167 million US dollars, which is 42.7% of the total value. Thus, the EU is a key player,

far ahead when compared to other blocks: the APEC countries (31.0% of foreign trade turnover), the CIS member states (11.7%), the EAEU countries (8.1%). Countrywide, Germany (8.7%), the Netherlands (6.9%), China (15.7%), Belarus (4.9%), Italy (3.9%), the USA (3.6%) and South Korea (3.6%) are the key trade partners (On the state of foreign trade in 2018, 2019). However, this is not comparable with the figures for 2013, when exports and imports between Russia and the EU reached the record 417 million US dollars (Foreign trade, n.d.).
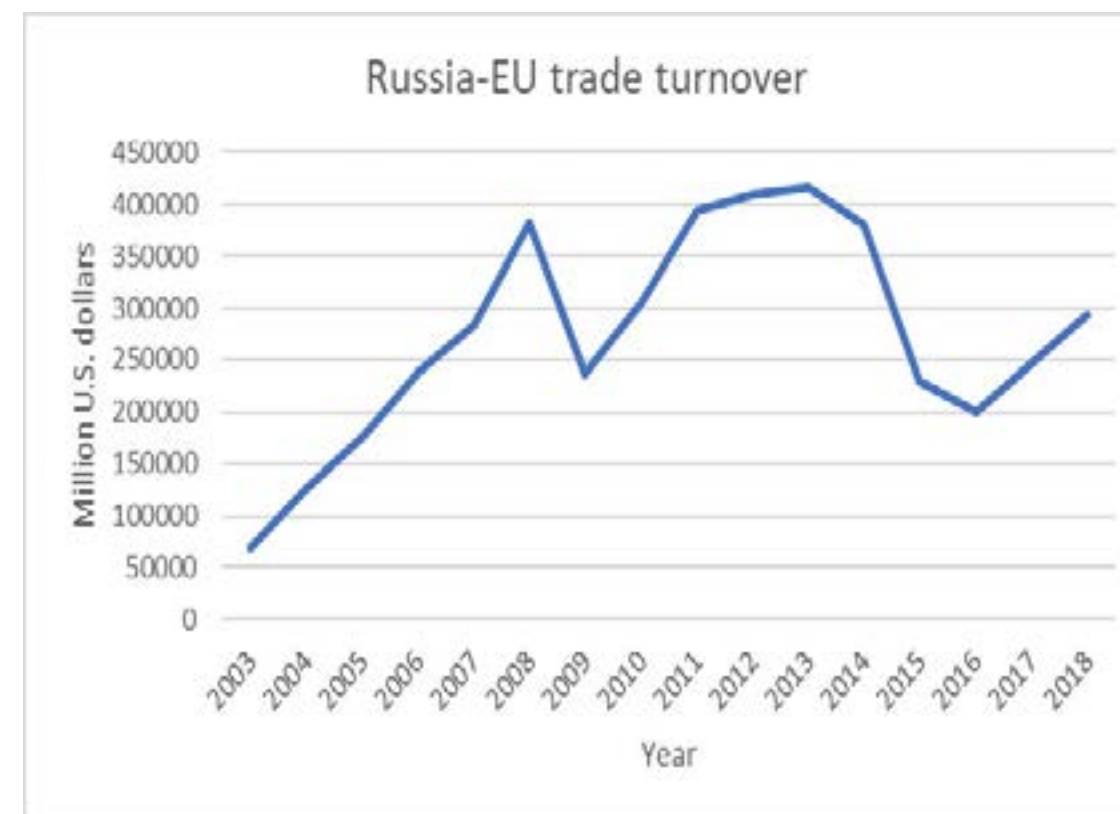


Figure 1. (Foreign trade, n.d.)

For the EU, Russia accounted for 6,4% of the total turnover in 2018, behind only the United States (17,1%), China (15,4%) and Switzerland (6,7%) (International trade in goods in 2018, 2019)
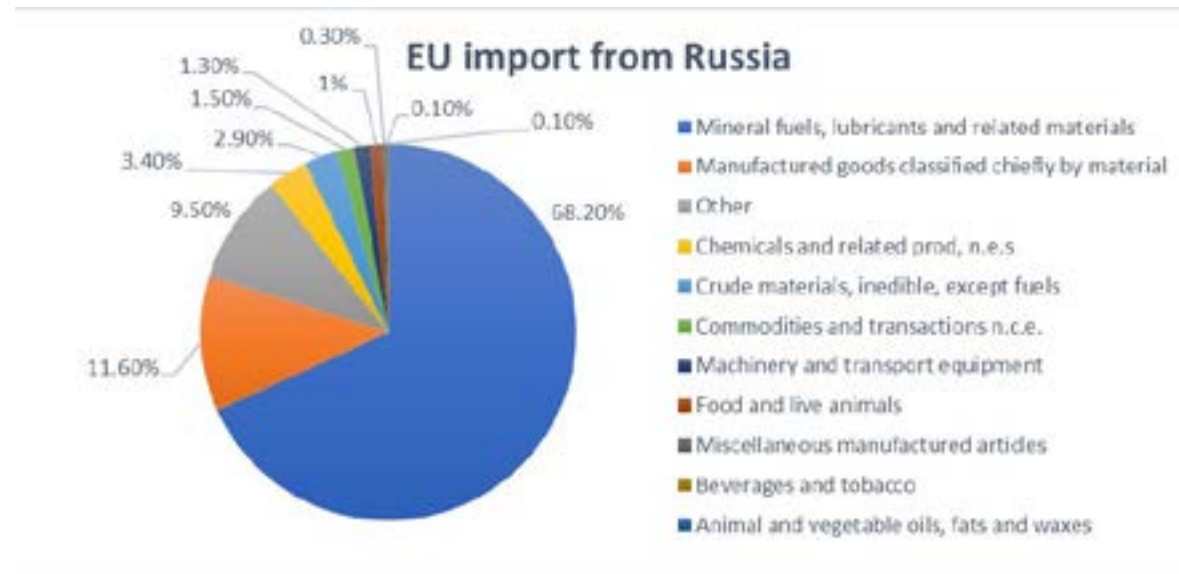
Figure 2. EU import structure from Russia in 2018 (European Union, Trade in goods with Russia, 2019)
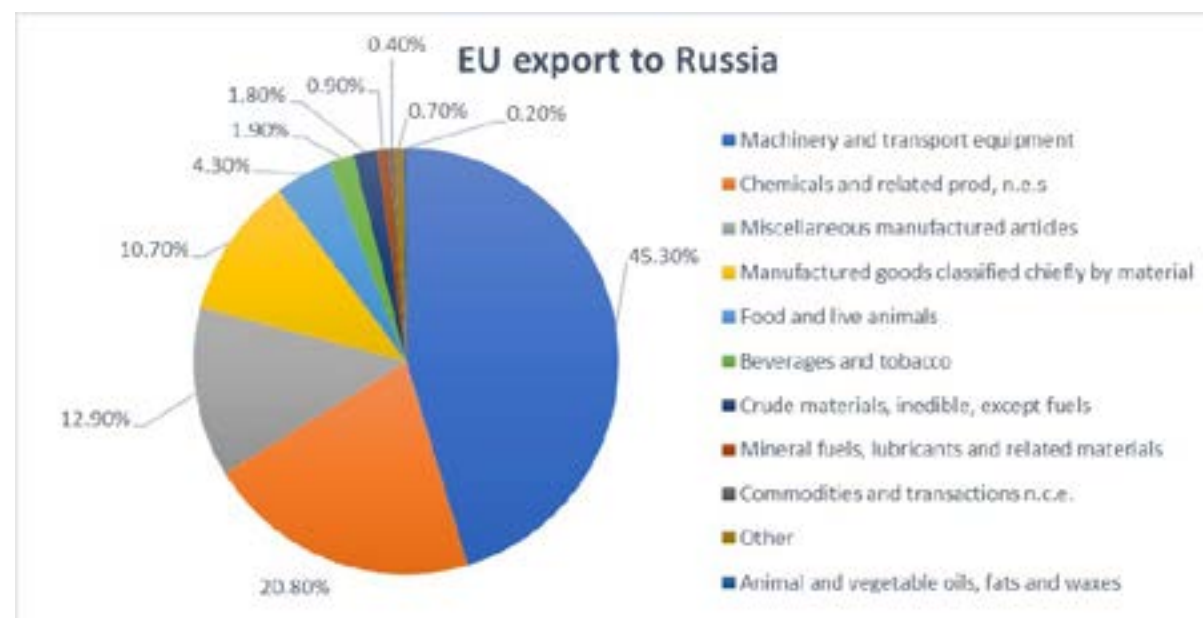


Figure 3. The structure of EU exports to Russia in 2018 (European Union, Trade in goods with Russia, 2019):

The European Union plays an important role in the area of foreign direct investment in the Russian Federation. For example, in 2014, 81% of all foreign investment in Russia came from the EU (Direct investments in the Russian Federation from abroad by instrument and investor country in 2010-2014, 2014). In the same year, Russia exported 74.4 billion euros of direct investment in the EU (Top 10 countries as extra EU-28 partners for FDI positions, EU-28, end 2012–14 (billion EUR), 2017). This indicates that Russia and Europe need each other, and supports the argument that there is the possibility and necessity of creating a unique market from Lisbon to Vladivostok.

**From Lisbon to Vladivostok? A Literature Review**

As a rule, free trade is usually only a part of extensive economic cooperation, including the free movement of goods, services, labour and capital. As a result, the countries that have joined the Union will lose some revenues from other member states. Are Russia and the EU ready for this? When establishing free trade, part of the budget revenues will be lost. However, the strengthening of economic relations will lead to an increase in budget revenues for other items (for example, VAT, income tax), which compensate for lost profits.

The next important steps are harmonization of standards or even mutual recognition of certificates and technical norms, tax harmonization (alignment of indirect tax rates), the creation of an effective legal system (mutual recognition of court decisions, cost reduction, and acceleration of the judicial process), strengthening of scientific and research exchange, and the introduction of a visa-free regime. There are several major studies examining these factors and evaluating their impact on the Russian and European economies. *See the following tables.*

| Title | Author | GDP growth in the medium term | | GDP growth in the long term | | Capital inflows in the Russian Federation in the long term | Total production growth in the Russian Federation |
|---|---|---|---|---|---|---|---|
| | | Russia | EU | Russia | EU | | |
| Modelling Economic, Social and Environmental Implications of a Free Trade Agreement between the European Union and the Russian Federation | Elena Jarocinska; Maryla Maliszewska; Milan Scasny | +0.55% | 0% | +2.24% | +0.5% | +5.6% | +3% |

| Title | Author | Annual increase in real income per capita | | Growth of Russian exports to EU countries |
|---|---|---|---|---|
| | | Germany | Russia | |
| Free Trade from Lisbon to Vladivostok: Who Gains, Who Loses from a Eurasian Trade Agreement? | Gabriel Felbermayr; Jasmin Gröschl | 0.2% 91 euro | 3% 235 euro | 71 billion euros |

| Title | Author | Growth of real GDP in the post-Soviet space | Growth of real GDP in the EU | Growth of real exports from the post-Soviet space | Growth of real imports to the post-Soviet space | Growth of real exports from the EU | Growth of real imports to the EU |
|---|---|---|---|---|---|---|---|
| A Wider Europe: Trade Relations Between an Enlarged EU and the Russian Federation | Lucio Vinhas De Souza | 0.2077% | Positive in all countries (e.g. 0.0737% in Hungary, 0.1757% in Poland, 0.034% in Finland) | 4.0536% | 6.6184% | Positive in all countries except for Poland (-0.0415%) | Positive in all countries |

| Title | Author | Growth of the Russian exports | Growth of imports to Russia | Growth in industrial production in Russia |
|---|---|---|---|---|
| The Economic Effects of a Russia-EU FTA | Miriam Manchin | In all industries, for example: Textiles 112.11% Clothing 148.32% Grocery 98.91% Cars 74.21%, except for Gas -73.82% Electricity -30.08% | In all industries except for oil and coal | Almost in all industries, for example: Gas 226.93% Clothing 28.97% |

| Title | Author | Growth of real GDP | | Growth of real exports from | | Growth of real imports to | |
|---|---|---|---|---|---|---|---|
| | | Russia | EU | Russia | EU | Russia | EU |
| Economic Effects of Free Trade between the EU and Russia | Pekka Sulamaa | 1.297% | >0 | 4.23% | >0 | 10.3% | >0 |

| Title | Author | Growth of the Russian GDP | | Growth of the GDP of the EU | |
|---|---|---|---|---|---|
| | | 2-3 years | 4-6 years | 2-3 years | 4-6 years |
| Possible Economic Outcomes of a Trade Agreement with the European Union | Alexander Knobel; Bekhan Chokaev | 0.8% | 2% | 0.1% | 0.2% |

One of the latest studies was conducted in Germany in spring 2016 by the Ifo institute on request of the Bertelsmann foundation. For the first time, a quantitative assessment of the free trade area between the EU and the EAEU (Eurasian Economic Union: Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia) was presented, considering other countries with which both Russia and the EU have free trade agreements, and the effects of such an agreement on trade and income.

The basis was a static general equilibrium model of international trade, in which about 140 countries can trade with each other in 57 sectors of trade and services, and in which trade flows are hampered by customs duties and non-tariff barriers. 2011 was chosen as a base year, that is, the period before the introduction of Western sanctions and the Russian embargo. The study is based on the following thought experiment: what would be the trade flows, the sectoral structure of production and real income, if a free-trade agreement was concluded between the EU and the EAEU in the world observed today, contrary to the facts, with a reduction in customs duties and non-tariff trade restrictions?

Three scenarios for such an agreement were considered:
- between all EU members and Russia;
- between all EU members and all EAEU members, and
- between all EU members and all former member states of the Soviet Union (except for the Baltic countries).

The scope of the agreement is in line with modern EU free trade agreements with other countries. There is a clear potential for expanding trade in goods and services between the EU and the EAEU. Thanks to an ambitious agreement, Russian exports could grow by 32% compared to 2011; Armenia's exports by more than 80%; exports of Belarus and Kyrgyzstan could double. EU exports to the EAEU countries could increase by more than 60% compared to 2011. The Baltic republics, Slovakia, Finland and Poland would have the largest potential. Also, German exports could increase by 59%.

If a free trade agreement were concluded not only with the EAEU states, but also with the successor countries of the USSR which are not members of the EU, EU exports would increase by 74% compared to 2011. As a result of an agreement with the EU, Russia could increase real income by 3.1%, or 34 billion euros. Belarus would gain even more in percentage terms (+ 4.9%). Noticeable positive effects are expected in Armenia (+ 2.3%), Kyrgyzstan (+ 2.3%) and Kazakhstan (+ 1.7%).
In Europe, the Baltic republics would benefit from the agreement first. Their per capita income could grow by 1.2% - 1.8%; about 200 euros per person per year. About 60% of this growth would come from Russia; the rest were mainly to Belarus.

As a result of an ambitious agreement with the EAEU, the EU would increase real income by 30 billion euros; if other former states of the USSR joined the agreement, income would increase by 40 billion euros. Austria could increase its trade with the EAEU countries by 49%. The per capita income in Austria would grow by 65,27 euros. For Russia, an agreement that would only cancel customs duties would bring an additional 30 euros per person. An increase of 14 euros could be expected for Austria. If non-tariff barriers were removed in all sectors, income in Russia could increase by 151–290 euros per person per year. In Austria, income would increase by 39 - 65 euros per capita.

The author of the study considers the specialization structure, relatively high inter-union tariffs (a significant increase in wealth, thanks to trade), compatible governance structures, contributions to peace and stabilization to be particularly good reasons for the EU-EAEU transaction. As we can see, the studies conducted in recent years reach a similar conclusion: the creation of a free trade area between Russia and the European Union leads, at least, to a Pareto improvement. When creating a Free Trade Agreement (FTA), it is important not only to reduce tariffs on industrial and agricultural products, but also to liberalize the provision of services, to harmonize regulations and reduce trade barriers.

**Barriers to Dialogue between the EU and the EAEU**

A formal condition for an FTA is that all countries of the Eurasian Economic Union must be members of the WTO. Following Kazakhstan's accession to the WTO at the end of 2015, this step alone still has to be taken by Belarus which has increased its efforts enormously in recent times. However, the outstanding WTO membership of Belarus is not an entirely sound argument against the start of an EU negotiation process with the EAEU, as Belarus had to accept the regulations of WTO after Russia's accession to the organization in 2012 (Belarus Accession to the WTO, n.d.). Rather, the current political concerns of the EU member states against contacts with Russia are the cause of the overall lack of dialog readiness. Politicians are opposed to the creation of a Eurasian Union with the following argument: Eurasian integration is a Russian imperial project and an attempt to revive the Soviet Union, with the result that member countries will lose their independence (Artemenkova, 2017).

The sanctions introduced in the context of the Ukrainian conflict also stand in the way of possible integration. The European Union combines the loosening of sanctions, but also positive steps in the process of rapprochement with Russia and the EAEU with the implementation of the Minsk Agreement and positive approaches to resolving the conflict. However, the integration is not only restrained by the Western sanctions against Russia, but also retaliatory economic measures. Russia introduced anti-sanctions without consulting the partner countries in the EAEU and created a precedent for making decisions that are only beneficial at the national level. Experts call it an example of national egoism (There is no alternative to the EAEU in the Eurasian space, 2017).

Moreover, different social and economic developments in the member states of the EAEU as well as different market-economy transformations of the national economies are contributing to a serious obstacle to the successful implementation of the project. Russia and Kazakhstan, which are internationally recognised as market economies, are far ahead of Belarus, whose economy is

dominated by the state. The economies of Russia and Kazakhstan have a pronounced commodity orientation. Belarus has inherited a developed manufacturing industry from the Soviet Union. The business and investment climate also differ (Biernat, 2017).

The problems within the EAEU itself also give rise to concerns in the EU. The Eurasian Economic Union still does not work as a single economic space, with the continued protectionism of the participating countries putting the entire project at risk (Erokhin, 2019). In the EAEU there are numerous barriers, exemptions and restrictions to free trade. For example, under existing conditions, foreign investors producing modern high-quality products in Belarus are not always free to sell them within the EAEU. All kinds of non-tariff barriers play a negative role (Biernat, 2017). This illustrates that the Union has so far failed to ensure the freedom of movement of goods, services, people and capital. Membership in the EAEU remains a game, who will deceive whom more, and turns into constant disputes.When the EU engages in a closer dialogue with other integration associations, it looks at two factors - whether there is an internal common market and how liberal the foreign trade regime of this organization is. Now, the EU has doubts when looking from Brussels on what is happening in the EAEU. Concrete examples are a ban of milk from Belarus, and trade disputes between Kyrgyzstan and Kazakhstan (Zelensky, M., & Polivanov, A., 2017; Kumenov, A., 2017). These are indicators of the imperfection of the EAEU market. The EU is questioning whether there is a common market that functions without problems. Some member countries deviate from the common trade policy of the EAEU. In addition, Brussels is surprised that up to 85% of trade in the EAEU is trade with foreign countries, and domestic trade is decreasing (Giucci, R., & Mdinaradze, A., 2017).

Compared to European, Eurasian integration was introduced at a rapid pace. Europe began in 1951 with the creation of the European Coal and Steel Community, within which the principles of introducing a single market were worked out. Contrastingly, the Russians have reduced the transition process from the Customs Union to the EAEU to four years. The key problem, however, is the lack of shared values. The Eurasian Economic Union, unlike the European, is not united by common liberal values and rests either on military interests or is linked to the economic situation in Russia. Member states are aligned with Russia and it's ideas, so long as it can provide them with financial incentives. Will there be a Eurasian Union after the resignation of the current leaders from the political arena?

The veteran of the international politics Zbigniew Brzezinski, the US National Security Advisor to Jimmy Carter, was thinking that the EAEU did not have long-term prospects. He doubted that the Eurasian Union would exist for more than 10–20 years, especially if its leaders would change during this time. In addition, the EAEU would become unnecessary when Russia's relations with the Western part of Europe would normalize, and with the recognition by the Russian authorities that the country was ultimately a European, not a Eurasian, state (Bratersky, 2017).

**REFERENCES**

Agreement on partnership and cooperation establishing a partnership between the European Communities and their Member States, of one part, and the Russian Federation, of the other part. (1994, June 24). Retrieved from https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:21997A1128(01).

Artemenkova, N. (2017, March 16). The Eurasian Economic Union: Russian «March Eastwards» or an Alternative to Rejoining the West? Retrieved from http://eurasian-studies.org/archives/2955

Belarus Accession to the WTO. (n.d.). Retrieved from http://mfa.gov.by/en/foreign_trade/wto/accession/

Biernat, J. (2017, November 17). Eurasian integration failed? Retrieved from https://inosmi.ru/politic/20171117/240783111.html

Blogging on Facebook in Russian, Macron notes progress in ties with Moscow. (2019, August 20). Retrieved from https://tass.com/world/1074276

Bratersky, A. (2017, April 7). Zbigniew Brzezinski: Russia should form a closer union with U.S. and China. Retrieved from https://www.rbth.com/international/2017/04/07/zbigniew-brzezinski-russia-should-form-a-closer-union-with-us-and-china_737177

De Souza, L. V. (2006). A Wider Europe: Trade Relations Between an Enlarged EU and the Russian Federation. *Problems of Economic Transition*, *49*(2), 6-33.

Direct investments in the Russian Federation from abroad by instrument and investor country in 2010-2014. (2014, September 15). Retrieved from http://cbr.ru/statistics/print.aspx?file=credit_statistics/dir-inv_in_country.htm&pid=svs&sid=ITM_58761

Erokhin, D. (2019, January 16). Building bridges between Europe and Asia. Retrieved from https://blog.iiasa.ac.at/2019/01/16/building-bridges-between-europe-and-asia/

EU and Russia: A roadmap for the Common Economic Space (CES). (2005, May 17). Retrieved from https://ec.europa.eu/growth/content/eu-and-russia-roadmap-common-economic-space-ces-0_en

Eurasian Economic Commission and European Commission are building technical dialogue. (2019, June 21). Retrieved from http://www.eurasiancommission.org/ru/nae/news/Pages/21-06-2019-1.aspx

European Union, Trade in goods with Russia. (2019, June 03). Retrieved from https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_russia_en.pdf
European Union, Trade in goods with Russia. (2019, June 03). Retrieved from https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_russia_en.pdf

Felbermayr, G., & Gröschl, J. (2017). Free Trade from Lisbon to Vladivostok: Who Gains, Who Loses from a Eurasian Trade Agreement?. In *CESifo Forum* (Vol. 18, No. 2, pp. 52-62). München: ifo Institut–Leibniz-Institut für Wirtschaftsforschung an der Universität München.

Foreign Policy Concept of the Russian Federation (approved by the President of the Russian Federation V.V. Putin on February 12, 2013) (expired). (2013, February 18). Retrieved from http://www.mid.ru/foreign_policy/official_documents/-/asset_publisher/CptICkB6BZ29/content/id/122186

Foreign Policy Concept of the Russian Federation (approved by the President of the Russian Federation Vladimir Putin on November 30, 2016). (2016, December 01). Retrieved from http://www.mid.ru/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2542248

Foreign trade. (n.d.). Retrieved from http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/ru/statistics/ftrade/

Giucci, R., & Mdinaradze, A. (2017, September 8). The Eurasian Economic Union. Analysis from a trade policy perspective. Retrieved from https://berlin-economics.com/wp-content/uploads/Eurasian-Economic-Union-trade-policy-perspective.pdf

International trade in goods in 2018. (2019, March 20). Retrieved from https://ec.europa.eu/eurostat/documents/2995521/9678915/6-20032019-AP-DE.pdf/265b3a81-821d-464f-a5e5-b2473ea5d9af

Jarocinska, E., Maliszewska, M., & Scasny, M. (2010). Modelling Economic, Social and Environmental Implications of a Free Trade Agreement between the European Union and the Russian Federation.

Joint Statement on the Energy Dialogue by President of the Russian Federation Vladimir Putin, President of the European Council Guy Verhofstadt, with the assistance of the Secretary General of the Council of the EU/High Representative for Common Foreign and Security Policy Javier Solana and President of the European Commission Romano Prodi. (2001, October 3). Retrieved from http://kremlin.ru/supplement/3266.

Knobel, A., & Chokaev, B. (2014). Possible Economic Outcomes of a Trade Agreement with the European Union. Economic Issues, (2), 68-87.

Kofner, Y. (2019, June 26). Ten Reasons for EAEU-EU Cooperation. Retrieved from http://valdaiclub.com/a/highlights/ten-reasons-for-eaeu-eu-cooperation

Kumenov, A. (2017, November 3). Kazakhstan, Kyrgyzstan Bicker Over Contraband. Retrieved from https://eurasianet.org/kazakhstan-kyrgyzstan-bicker-over-contraband

Le voyage présidentiel en Alsace. (1959, November 24). LE MONDE № 4615, p. 4.

Manchin, M. (2004). The economic effects of a Russia-EU FTA (No. TI 04-131/2).

On the state of foreign trade in 2018. (2019, February 06). Retrieved from http://www.gks.ru/bgd/free/B04_03/IssWWW.exe/Stg/d04/35.htm

Putin: Plea for Economic Community from Lisbon to Vladivostok. (2010, November 25). Süddeutsche Zeitung. Retrieved from https://www.sueddeutsche.de/wirtschaft/putin-plaedoyer-fuer-wirtschaftsgemeinschaft-von-lissabon-bis-wladiwostok-1.1027908

Sulamaa, P., & Widgrén, M. (2005). Economic effects of free trade between the EU and Russia (No. 969). ETLA Discussion Papers, The Research Institute of the Finnish Economy (ETLA).

The visit of the General Secretary of the CPSU Central Committee, Mikhail Gorbachev, to France. October 2 - 5, 1985 Documents and materials. (1985). Moscow: Political Literature Publishing House, p. 14.

# Europe's Balancing Act:
## Finding Security Between Trump and Putin

### By ERIC ADAMSON

Eric Adamson is currently the senior associate for policy and research at the American Jewish Committee in Berlin, focusing on transatlantic issues. Previously, Eric gained professional experience at the Delegation of the EU to the US, CSIS in Washington, and the US Embassy in Oslo. He completed his masters degree in European Studies at Freie Universität Berlin in 2017 and has a bachelor degree in European Studies and German from Bates College in Lewiston, Maine USA.

Two major events mark a dramatic shift in the transatlantic security environment since the turn of the century. First, Russia's annexation of Crimea and destabilization of Ukraine's east in 2014 brought power politics back to the European continent. Second, Trump's ascension to the American Presidency in 2016 casted unprecedented doubt upon America's security commitment to Europe. The White House's rhetoric and Kremlin's malign influence have forged a growing consensus among EU member states to provide more for their own security. This historical moment may allow the EU to strengthen its historically constrained pillar of common foreign, security, and defense policy (CFSP/CSDP).

### INTRODUCTION

Two events mark a critical juncture in the transatlantic post-Cold War security environment. First, Russia's annexation of Crimea and destabilization of eastern Ukraine in 2014 brought power politics back to the European continent. Second, Trump's ascension to the American Presidency in 2016 cast unprecedented doubt upon America's security commitment to Europe. Europe now finds itself between two revisionist actors: Putin and Trump, both wishing to redefine their nation's place and role in the world. How the EU responds to its changing security environment is one of the most immediate strategic challenges it faces. European security integration, taking steps towards a "European Army" or other combined Euro-military command structure, has been a historically constrained pillar of the EU. Little consensus has emerged on the matter as many member states harbour concerns for their sovereignty, considering it a core national duty amid reluctance to trust their neighbors for security (Cirlig, 2015; O'Donnel, 2013). Under America's security blanket throughout the 20th century, the EU and its member

states have had little incentive to bolster their own defense and security cooperation. Foreign policy initiatives were enacted largely through American backing or consent. Following the fall of the Soviet Union, and in the absence of a common Cold War threat, US and European strategic objectives began to diverge, no longer relying on one another to defend security interests (Kupchan, 2008; Mearsheimer, 1990; Walt, 1997). Although NATO expanded eastward alongside the EU, the transatlantic community lowered its defenses not only militarily as European budgets declined and the US led NATO out of area, but in constraining the imagination for what was possible. While there was widespread consensus across the Atlantic that the US and Europe had moved beyond power politics, from Russia's perspective, the eastward march would not be seen as benign (Mearsheimer, 2001; Kissinger, 2014; Mearsheimer, 2014; Walt, 2014).

During Putin's address at the 2007 Munich Security Conference, he derided NATO's expansion as a "seriously inflammatory factor," rhetorically asking, "who is NATO enlarging against?" (Putin, 2007). During Ukraine's EU Association Agreement negations Sergei Glazyev, an advisor to Putin, said Russia could "no longer guarantee Ukraine's status as a state and could possibly intervene if pro-Russian regions of the country appealed directly to Moscow" (Walker, 2013). As forewarned, Russia intervened, snapping back against the West and its model that had been "aggressively forced onto the entire world" (Putin, 2013). On March 1st, 2014, Putin asked for authorization to use force beyond Russia's borders, which the upper house of the Russian parliament unanimously approved the same day — after unmarked soldiers were already on Ukrainian soil. Only later were these "little green men" admitted by Putin to be Russian. On March 16th, the internationally condemned referendum brought Crimea under Russian control. Justifying the annexation to the Duma and the watching world, Putin stated "[the West], lied to us time after time... That's what happened with NATO's eastward expansion...We have to decide if we are prepared to stand firm in protecting our national interests or if we are forever going to be giving in... If you compress the spring, it will snap back hard" (Putin, 2014). Putin was asserting a sphere of influence through what has come to be known as hybrid warfare: a mix of conventional and irregular military tactics which exploit economic, political, and social divisions to sow division and allow Russia to assert itself in its neighborhood. While the EU had been engaging with countries in its eastern neighborhood as independent partners, leading to with win-win outcomes, Russia was engaging in geopolitics in a zero sum world. Simply put, the two sides had been speaking different languages. The capture of Crimea without resorting to overt or conventional military force and later destabilization of eastern Ukraine ensured that Russia would be understood. "Nobody listened to us," Putin would later say. "Listen now." Hybrid tactics brought secondary concerns that Russia would create pretexts for conventional military action elsewhere, like the Baltics, to protect Russian minority populations. The common Russian threat had thus returned to the Atlantic community, realigning interests and policies, after decades of post-Cold War drift.

In the early hours of November 9th, 2016, the Russian parliament cheered. Putting "America first," President Trump's victory signaled an end to the American Century, undercutting the foundation of the Atlantic alliance, and the start of better relations towards Russia. The celebration was premature. In rhetoric, Trump has brought significant uncertainty regarding US

commitment to European security, From calling NATO "obsolete" only months later to say it is "no longer obsolete," to failing to mention Article 5 during his speech at NATO headquarters in Brussels in May 2017, questionable ties to Kremlin associates, continuous praise of Putin, and floundering on implementing additional Russian sanctions. In substance, status quo dictates Washington's foreign policy towards Europe and Russia. The US is toughening its deterrent stance towards Russia, increasing funding for the NATO-based European Reassurance Initiative (ERI) begun by the Obama administration, providing Ukraine weaponry in its fight against Russian backed militias and expelling Russian diplomats in response to other malign activities. While US withdrawal from multilateral deals like the Paris Climate Accord and the Iran Nuclear Deal (JCPOA) has caused substantial friction between Europe and the US, transatlantic history shows that disputes developing into conflicts does not mean the end of partnership (Ikenberry, 2008).

In fact, crisis and conflict between the Atlantic partners is one of the relationship's hallmarks; Trump belongs to a long line of US Presidents taking unilateral action, much to Europe's chagrin. Despite US security policy continuity towards Europe and Russia, leaders in Brussels and other European capitals have called upon member states to come together and to continue taking unprecedented steps in providing for Europe's security. The call "to take our [European] fate into our own hands" and "improve our capacity to act autonomously, whenever and wherever necessary" was put forth by EU High Representative Mogherini and echoed by German Chancellor Merkel and French President Macron (Birnbaum, 2017). The EU's reaction can be understood through a realist balance-of-threat lens. Power matters, but perceptions on how states will use their power plays a crucial role in state decision-making processes (Walt 1985). Any doubts about an alliance members genuine commitment to provide security will cause members to reevaluate their position. Even though the US' relationship towards Europe and Russia may not have substantively changed policy-wise under Trump, it did so in perception, levels of trust and confidence precisely because of the President's rhetoric that questioned the value of America's European allies. Amongst EU populations polled, the median drop in confidence in the "president to do the right thing regarding world affairs" is down 79%. In fact, in many EU member states there is greater confidence in Putin than Trump (Wike et al. 2017). Under uncertain circumstances, weaker states may fear they are not important in the eyes of the more powerful ally and fear being abandoned in the face of aggression.

This scarcity of security between Trump and Putin presents the EU with a critical juncture. At critical junctures, political leaders' responses may either be enabled, with the range of policy options greatly expanded and their potential consequences more impactful and far-reaching, or constrained, with political obstacles to exercise or expand power remaining. (Cappoccia & Klemen, 2007 p.343; Cross & Karolewski, 2017). Trump's uncertain rhetoric around the Transatlantic relationship's future in the face of a resurgent Russia has created a political climate that has enabled Brussels to pursue long sought, but politically constrained, security integration policies. The Treaty of Lisbon offers a number of mechanisms to deepen military cooperation, including Article 44 TEU, which allows countries to opt-in to engaging in joint security projects without unanimity. Additional mechanisms include, EU Battle Groups (fully operational but never used), the permanent structured cooperation mechanism (PESCO) as outlined by Article 42(6),

and Article 222's TFEU mutual assistance clause. None of these mechanisms were used until 2017 when the European Defense Fund and PESCO, both portions of the Commission's 2016 Defense Action Plan, were adopted, activating Article 42(6). The Defense Action Plan makes clear that it does not create an European Army or replace/duplicate military and command structures that are currently in place at national and NATO levels. Rather, it aims to facilitate the effective use of defense spending and create the conditions for greater cooperation. Nonetheless, this plan marks the beginning of significant change in EU defense posture as, up until its adoption, member states had only cooperated militarily on a bilateral or regional basis.

Designed to "reinforce the EU's strategic autonomy to act alone when necessary and with partners whenever possible," PESCO's mission statement gets at the heart of the EU's strategy on the Trump-Putin axis: hardening against Russia through security integration and preparing to act without the backing of the US, while "relentlessly pursu[ing] a positive agenda" (Commission, 2017). The EU is effectively playing a double game by bandwagoning and balancing American power through one line of strategy. Bandwagoning occurs when a weaker state allies with a stronger state to maintain independence in the face of a potential threat. In the realm of transatlantic relations, bandwagoning occurred once it became clear that Russia had sent so-called "little green men" into Crimea in late February 2014. Both the US and EU implemented coordinated sanctions, ramping up military presence on the continent, bandwagoning one another's economic and military strengths, and leveraging EU, NATO, and American power against Russia. Balancing proposes that a weak state will enter an alliance with other weak states (in this case EU Member States), or strengthen its own capabilities in reaction to those perceived as a threat. Through the European Defense Action Plan, Defense Fund and PESCO, the EU has taken steps to balance unpredictable American power in the Trump era, allowing for greater strategic autonomy to act when European and American interests do not align.

While alliances are prone to erosion if members acquire additional means to protect their interests, even if perceptions of the original threat do not change (Putin's Russia post-2014), the EU has continued to bandwagon US power. It has explicitly expressed that its own security integration does not come at the expense of, but rather contributes to, NATO's collective security. The durability of the transatlantic alliance has long been debated through many rifts and crises. While championing itself as a "global force for good" throughout the 20th century, the US has "always been ambivalent" towards a rules-based international order, resisting international agreements and acting unilaterally in nearly all historical eras (Ikenberry, 2008). On European security cooperation, it has ranged from supportive to disparaging, trying to strike a balance between encouraging the EU to become more self-reliant while not wanting it to challenge US global leadership (Cross, 2013).

Yet, the alliance has endured. Viewing Trump's election and ensuing crisis in the broader context of the alliance's long history of critical junctures, while beyond the scope of this article, provides some optimism for the future. It would seem Trump is just another crisis that will require adaptation but ultimately be overcome. Nonetheless, Trump's presidency may have permanently changed the alliance. If successful in achieving President Juncker's stated goal of creating "a fully-

fledged Defence Union by 2025," by no means a guarantee, the EU would wield the credible hard-power backing needed to magnify the soft-power capabilities largely independent of US policy preference. Indeed, the recent and unprecedented steps in security integration have laid the groundwork for the EU to become the global and transformative power so many in Brussels have long hoped for.

## REFERENCES

Applebaum, Anne. (2017) Red Famine: Stalin's War on Ukraine. 1st ed., New York, Doubleday.

Brands, Hal. (2016) "Paradoxes of the Gray Zone." Foreign Policy Research Institute, 5 Feb.

Berinsky, Adam J. (2017). "Rumors and Health Care Reform: Experiments in Political Misinformation." British Journal of Political Science. 47(2): 241-262.

Bugajski, Janusz, and Margarita Assenova. (2016). Eurasian Disunion: Russia's Vulnerable Flanks. The Jamestown Foundation.

Cull, Nicholas J, et al. (2017) "Soviet Subversion, Disinformation and Propaganda: How the West Fought Against It." LSE Consulting, October.

European Commission, Directorate-General for Communication Networks, Content and Technology. (2018) "A Multi-Dimensional Approach to Disinformation." Publications Office of the European Union.

Diamond, Larry, Marc F. Plattner, and Christopher Walker. (2016) "Authoritarianism Goes Global: the Challenge to Democracy." Johns Hopkins University Press.

Galeotti, Mark. (2017). "Controlling Chaos: How Russia Manages Its Political Warfare in Europe." European Council on Foreign Relations, August, 2017.

Fried, Daniel, and Alina Polyakova. (2018). "Democratic Defense Against Disinformation." Atlantic Council, Feburary.

Helmus, Todd et al. (2018) "Russian Social Media Influence: Understanding Russian Propaganda in Eastern Europe." RAND Corporation.

Lucas, Edward, and Peter Pomerantsev. (2016). "Winning the Information War Redux: Techniques and Counterstrategies to Russian Propaganda in Central and Eastern Europe." Center for European Policy Analysis, April, 2016

Intelligence Community Assessment, Office of the Director of National Intelligence. (2017) "Background to 'Assessing Russian Activities and Intentions in Recent US Elections': The Analytic Process and Cyber Incident Attribution." January 06, 2017. ICA-2017-01D, 2017.

Isaac, M., Wakabayashi, D. (2017) "Russian Influence Reached 126 Million Through Facebook Alone." New York Times. October 30, 2017

Jeangène-Vilmer, Jean- Baptise (2018). "Successfully Countering Russian Electoral Interference: 15 Lessons Learned from the Macron Leaks." Center for Strategic and International Studies. June, 2018

Maréchal, Nathalie. (2017) "Networked Authoritarianism and the Geopolitics of Information: Understanding Russian Internet Policy." Media and Communication. 5(1):29-41.

Marwick, Alice, and Rebecca Lewis. (2017)."Media Manipulation and Disinformation Online." Data & Society Research Institute.

McGranahan, Carole. (2017). "An Anthropology of Lying: Trump and the Political Sociality of Moral Outrage." American Ethnologist. 44(2): 243-248

Patrikarakos, David. (2017) War in 140 Characters: How Social Media Is Reshaping Conflict in the Twenty-First Century. 1st ed., Hachette Book Group, 2017

Paul, Christian, and Miriam Matthews. (2016). "The Russian 'Firehose of Falsehood' Propaganda Model." RAND Corporation.

Pugsley, Sophia, and Fredrik Wesslau. (2016) "Russia in the Grey Zones." European Council on Foreign Relations, September 1, 2016.

Richey, Mason. (2017)." Contemporary Russian revisionism: understanding the Kremlin's hybrid warfare and the strategic and tactical deployment of disinformation. Asia Europe Journal. 15(54). 1-13.

Skjeseth, Heidi Taksdal. (2017)."All the president's lies: Media coverage of lies in the US and France." Reuters Institute for the Study of Journalism, University of Oxford

Snegovaya, Maria. (2015) "Putin's Information Warfare in Ukraine: Soviet Origins of Russia's Hybrid Warfare." Institute for the Study of War, September, 2015.

Stelzenmüller, Constanze. (2017). "The Impact of Russian Interference on Germany's 2017 Elections." Brookings, June 28, 2017.

Simpson, Ellie. (2014) "Neither War Nor Peace: Why the Information Revolution Makes 'Forever Wars' a New Normal." Belfer Center for Science and International Affairs. December 16, 2014

Toucas, Boris. (2017) "Exploring the Information-Laundering Ecosystem: The Russian Case." Center for Strategic and International Studies (CSIS), August 31, 2017.

West, Darrel M. (2017) "How to Combat Fake News and Disinformation." Brookings, December 18, 2017.

# Defending The Information Space!

By ERIC ADAMSON

> *"The problem with phrasings in which the noun "war" is qualified by an adjective such as "hybrid" is that they sound like "war minus" when what they really mean is "war plus."*
>
> --Timothy Snyder, "The Road to Unfreedom"

*What is disinformation and how can it impact our democracies? This article is a crash-course in disinformation's history, modern goals, and how the West has combatted it.*

## INTRODUCTION

### Russian Disinformation: History and Modern Goals

Since the 2016 US Presidential Election, Western governments are now aware of Russian disinformation, tactics, and general aims. "Disinformation" can be traced back to the Soviet term dezinformatsiya, a tactic that deliberately sought to spread false information in order to undermine foreign publics' trust in official versions of events, manipulate opinion, and distort reality for strategic gains. Modern disinformation is a low-risk tool in the larger arsenal of hybrid warfare. Hybrid warfare operates in a grey zone between war and peace. It mixes conventional and covert military action with coercive economic, phycological, and cyber capabilities to achieve political, even territorial gains, without escalating to overt conventional warfare (Brands 2016; Bugajski & Assenova, 2016; Pugsley & Wesslau 2016). These tactics has proven success in Russia's border regions in countries, such as Georgia, Ukraine, and Transnistria, but have now moved beyond the testing grounds to the West at large.

With targeted disinformation campaigns, Russia seeks to increase its relative power by destabilizing not only the cohesion of individual countries, but the European project and transatlantic community. Thus, what the West faces is conflict as "a continuation of policy by other means" not with Clausewitzian military power, but of a "concealed character" with "coercive communication" (Simpson 2014, Patrikarakos 2017). If disinformation campaigns in the information space are not prelude to conflict, but part of the conflict itself, then governments must respond and defend their societies accordingly. Many modern disinformation tactics are drawn right from the Soviet playbook and adapted for the 21st century, namely active measures and reflexive control (Cull et al. 2017, Snegovaya 2015). Active measures attempt to influence and discredit the policies of another government as well as undermine domestic support and

confidence in institutions and elected officials. Disinformation may amplify and distorts real domestic issues or simply spread outright falsehoods. Reflexive control attempts to manipulate opponents into voluntarily choosing actions advantageous to Russian interests.

The goal of modern Russian disinformation is not to convince or persuade, as was the case with the communist ideology that offered an alternative model, but to sow doubt and keep publics passive, demoralized, even paranoid. It may disrupt decision making processes or cause nations to descended into factional strife, eroding democracy and the nation (Galeotti, 2017; Helmus et al. 2018; Toucas 2017). Such tactics have long aided other aspects of Russian warfare. As when Russia conducted a disinformation campaign to provide cover for the "little green men" entering Ukraine unimpeded in 2014, so too did Lenin order Bolshevik forces to enter Ukraine under the banner of a "Soviet Ukrainian Liberation Movement" in 1917. (Appelbaum 2017, pg 25). Two decades later when Stalin was concealing his man-made famine in Ukraine, itself a particularly cruel form of hybrid warfare, the The New York Times most infamously illustrated the results of Soviet disinformation when reporter Walter Duranty wrote, "there is no actual starvation or deaths from starvation but there is widespread mortality from diseases due to malnutrition." Duranty would later receive the Pulitzer prize for his reporting in Ukraine. Today, Russia obfuscates its involvement in the downing of MH17 and alleged Skripal poisoning through polluting the 21st century media ecology with numerous, often contradictory, conspiracy theories and actual fake news (Diamond et al. 2016, Maréchal, 2017; Richey 2017). Disinformation, then as now, confuses and impedes a coherent Western response. To be sure, not all disinformation comes from foreign sources. Far from it. Western politicians are often responsible for the creation and distribution of disinformation as they search for public support of their policies and candidacy (Marwick & Lewis 2017, Berinsky 2017). Lying has always been a part of politics, but the frequency at which politicians bend the truth or speak outright falsehoods, not just in the American context, has reached unprecedented levels—most notably President Donald Trump (Skjeseth 2017, McGranahan 2017).

### Western Responses

While some nations like Ukraine and the Baltics have been combatting Russian active measures in the information space for over a decade, others like Britain and the United States have only recently been exposed and remain at risk. In the US presidential election and Brexit campaign, the Anglo-Saxon publics were the targets of Russian information campaigns. The US intelligence community (i.e. CIA, FBIA, and NSA) found that American voters were targeted with messages to "undermine public faith in the US democratic process…and aspired to help President-elect Trump's election chances" (Intelligence Community Assessment, 2017). Social media companies additionally disclosed Russia's role to Congress, providing evidence of sustained paid advertising by the Kremlin-linked Internet Research Agency that reached over 126 million Americans (Isaac & Wakabayashi, 2017). In the Brexit campaign, a UK communications company found Russia spent over 4€ million on pro-Brexit social media influence (Harris, 2018). Learning this lesson, both France and Germany took measures to secure their own elections in 2017. In France, hours before the first round of presidential elections, thousands of emails from Macron's campaign were

leaked, some of which were doctored. France's strong electoral integrity institutions, however, raised awareness of Russian tactics, and responded accordingly and transparently, resulting in the most clear example a failed Russian electoral influence campaign (Jeangène-Vilmer, 2018).

In Germany, political parties agreed not to use bots in their online campaigns, which have the potential to sway to distort issues, sway public opinion, and potentially change election outcomes (Woolley 2016). Recognizing disinformation as a non-trivial security matter has been an important first step in combatting Russian hybrid warfare and preventing future information space attacks, but Western governments remain vulnerable, often slow to implement and coordinate mechanisms to protect their democracies. Numerous policy recommendations and counter strategies have been made to combat disinformation and a modest number have been acted upon (Cull, et. Al, 2017; European Commission, 2018; Fried and Plyakova, 2018;

Lucas and Pomerantsev, 2016; Paul and Matthew, 2016; Toucas, 2017; West, 2017). For example, the US and 15 other EU and NATO nations signed on to establish the European Center of Excellence for Countering Hybrid Threats in April 2016; the EU established the East Stratcom Task Force in 2015 tasked with debunking Russian disinformation and supporting genuine journalism in former Soviet countries; the EU also released new strategy for tackling online disinformation and proposed legislation to combat disinformation online, including an "EU-wide Code of Practice on Disinformation". In April 2018; Germany created a 13,500 strong Cyber and Information Space Command as the sixth branch of the German Armed Forces; Sweden launched a nationwide school program to teach students to identify Russian propaganda; and the British Foreign Office is developing a 'content factory' to help EU Association and Baltic countries to create new Russian-Language media content to provide a counter narrative (European Commission, 2018; Stelzenmüller, 2018).

In the private sphere, Facebook and Twitter have identified and deleted state-backed accounts disseminating disinformation. Though the above efforts address the needs to educate Europe's own populations in media literacy, set media standards, craft and strengthen a Western narrative, and debunk and expose Russian disinformation, efforts remain fragmented and often underfunded. Efforts are further impeded when countries' media and leaders, deliberately or inadvertently, spread Kremlin talking points and cast doubt upon Washington, Brussels, and EU Member State institutions. There is a vast literature of policy proposals to combat disinformation. Each country's specific context—values, history, legal precedents, self- conceptualized image—must inform the choice in policy most apt for states' domestic and foreign publics. Most importantly, counter-actions must adhere to shared Western democratic values and ideals. While Western governments may conduct information campaigns, pushing their narratives, world view, and values to foreign publics, they cannot deliberately spread false information. Shutting down information channels through censorship online, while effective in stopping the spread of disinformation, also does not adhere to Western nations' values of free-speech. To do so would only undercut Western nations' own values and soft-power.

There is thus a certain asymmetry to information warfare between democracies and

authoritarian-leaning regimes. But if the "West" is to mean anything at all, Western states must find policies that adhere to their own democratic and liberal ideals. Such efforts begin by looking inward. If a Russian internet troll with poor English grammar is able to sway a Western voter, then this says more about the state of the West's own democratic health than the effectiveness of Russian tactics. This is not to trivialize the powerful psychological effects of these tactics. Indeed, improving the resilience of the average voter and rebuilding trust in democracy will be some of the most important, and difficult long-term projects Western governments will undertake.

## REFERENCES

Applebaum, Anne. (2017) Red Famine: Stalin's War on Ukraine. 1st ed., New York, Doubleday.

Brands, Hal. (2016) "Paradoxes of the Gray Zone." Foreign Policy Research Institute, 5 Feb.

Berinsky, Adam J. (2017). "Rumors and Health Care Reform: Experiments in Political Misinformation." British Journal of Political Science. 47(2): 241-262.

Bugajski, Janusz, and Margarita Assenova. (2016). Eurasian Disunion: Russia's Vulnerable Flanks. The Jamestown Foundation.

Cull, Nicholas J, et al. (2017) "Soviet Subversion, Disinformation and Propaganda: How the West Fought Against It." LSE Consulting, October.

European Commission, Directorate-General for Communication Networks, Content and Technology. (2018) "A Multi-Dimensional Approach to Disinformation." Publications Office of the European Union.

Diamond, Larry, Marc F. Plattner, and Christopher Walker. (2016) "Authoritarianism Goes Global: the Challenge to Democracy." Johns Hopkins University Press.

Galeotti, Mark. (2017). "Controlling Chaos: How Russia Manages Its Political Warfare in Europe." European Council on Foreign Relations, August, 2017.

Fried, Daniel, and Alina Polyakova. (2018). "Democratic Defense Against Disinformation." Atlantic Council, Feburary.

Helmus, Todd et al. (2018) "Russian Social Media Influence: Understanding Russian Propaganda in Eastern Europe." RAND Corporation.

Lucas, Edward, and Peter Pomerantsev. (2016). "Winning the Information War Redux: Techniques and Counterstrategies to Russian Propaganda in Central and Eastern Europe." Center for European Policy Analysis, April, 2016

Intelligence Community Assessment, Office of the Director of National Intelligence. (2017) "Background to 'Assessing Russian Activities and Intentions in Recent US Elections': The Analytic Process and Cyber Incident Attribution." January 06, 2017. ICA-2017-01D, 2017.

# Cybersecurity

## The Role of Non-State Actors in EU Cybersecurity Policy : Towards a Cyber- Resilient Europe

By ADRIANA MARA

Adriana Mara is a research associate at the Risk Advisory Group in London. Prior, she held research positions in the London think-tank sector including at Tech Against Terrorism and the International Institute for Strategic Studies. Adriana completed her postgraduate studies in Diplomacy and Foreign Policy at City University in 2017.

*What distinguishes cyber threats from conventional security challenges is their decentralized nature as well as the lack of clear perpetrators and motives. Cybersecurity is not a fully attainable goal and impacts not only state actors but also privately-owned infrastructure, corporations and individuals. In order to address this issue there is a need for a holistic collaborative approach that involves this wide range of non-state stakeholders. Collaboration however is often impaired by structural differences and an often aversion towards assuming responsibility. This paper, which is split in two parts, examines the role of private actors and civil society in cybersecurity policy formulation. It identifies the difficulties in collaboration as well as the significance of their inclusion in this process.*

## INTRODUCTION

### The Role of Non-State Actors in EU

Prior to the end of the Cold War era, security and defense strategies of European countries were formulated on the assumption that adversaries consisted solely in the form of a state or of an alliance of states. Yet since its formation, the European Union has faced a set of challenges that are quite more complex in form and structure including terrorism and cybercrime that surpass national boundaries. Due to rapid technological advancements and their pervasion in everyday life and critical infrastructure, cybersecurity has become a top priority for the European Union. New threats involve cybercriminals, cyberterrorists, even foreign intelligence services that either aim for personal profit or for systemic damage. The advantage of these criminal networks over European security systems lies in their decentralized nature that lacks clear hierarchies and in their low entry barriers. More specifically, cyber threats usually are impossible to identify as an attack could consist of anyone with an Internet connection in any place in the world or even multiple attackers distributed across the globe. In contrast, European defense systems are still predominantly built upon earlier assumptions where an 'enemy' used to have the form of a state, yet the threats nowadays most commonly consist of a hybrid form that operates between the physical and digital realm.

The physical realm does not only include the technological means but also the cultural/sociopolitical perspective of the threat (Jagoda 2012: 25). For example, cyberterrorism takes place in the digital sphere but the ideological context still derives from the physical realm. Although, the European Union has made significant progress in coordinating members' efforts in adapting to new threats, there is a tendency to neglect this cultural and sociopolitical dimension of the cyberspace which causes problems primarily in conceptualizing the issue in the first place and subsequently in the strategic response to it.

Moreover, cyberattacks that aim for systemic damage are not necessarily directed to governments anymore. Recent attacks all over Europe have been directed towards vital infrastructures such as electricity, airport and transport systems, banks, governmental bodies and corporate firms. It is also quite impossible to distinguish what constitutes a case of cyber conflict. Is an attack on an infrastructure or an individual a danger to systemic change or a sign of cyberwarfare? As the new cyberthreats consist of multiple actors with multiple goals that attack various infrastructures which are interconnected through distributed networks, it would be impossible to assume that total cyber security is an actual attainable goal. The more defense systems progress the more cybercriminals adapt to those technologies (Jagoda 2012: 29; Christensen and Petersen 2017: 1444). The European Union (EU) understands cybersecurity as critical to individuals' privacy, business and commerce.

This falls under the broader European vision of the 'Digital Single Market' that aims to integrate daily functions into the digital realm. Since the development of these asymmetric threats the EU has introduced directives such as the "General Data Protection Regulation" that aims at protecting privacy, the "NIS Directive" that aims at securing operators of critical infrastructure and has established 'ENISA' (European Network and Information Security Agency), the agency which is majorly responsible for cybersecurity directives. Oppositely, The United States and the United Kingdom support a narrative which depicts cybersecurity as a danger to national security and stresses the need to employ military forces to deal with the issue. The EU does not reject this argument completely but prefers to conceptualize cybersecurity as a commercial problem that needs to be addressed by civilian authorities.

This European approach of understanding cyberspace as a place with civil dimensions also indicates respect towards the dangers of over-regulating the Internet and of privacy violations. It also recognizes the need of including non-state actors in securing cyberspace. The European commission has already stated its encouragement of an integrated effort to address cyberthreats

by involving both the private sector and members of the civil society (European Commission and HREU, 2013).

This aspect is more vital for cybersecurity than other forms of security due to the aforementioned nature of the actors. If threats do not consist of typical enemies, bounded within the notion of the nation-state and do not necessarily attack governments, the EU will be unable to respond to these threats without adopting an inclusive approach.

This article examines the ways of including non-state actors in European cybersecurity policy formulation and concludes that there is a need for creating more distributed policy networks. One of the most prominent ways of doing so is the formation of Public Private Partnerships (PPPs). ENISA defines PPPs as 'An organized relationship between public and private organizations, which establishes common scope and objectives, and uses defined roles and work methodology to achieve shared goals' (ENISA 2011: 10). Structured in two parts, the former analyzes the role of the private corporate sector. As technological innovation largely takes part in the private sphere and as critical infrastructure tends to be largely privatized, the role of private actors is ever more important. The latter focuses on the inclusion of civil society organizations, as they are catalysts in maintaining democratic values and building resilience among individuals.

### Corporate Actors and Public Private Partnerships

In order to assess the benefits and challenges of PPPs, one must first conceptualize cybersecurity as a public good. Public goods are characterized by their non-rival nature and their non- exclusivity (Rosenzweig 2012: 7). Security is a perfect example of this concept. A person in a country always benefits from the security it provides and enjoying security does not mean there is "less" left for others. These features of public goods prompt entities who benefit from the good to neglect their contributions towards it. When these entities contribute to the good until it generates private benefit but not to the extent where it reaches the societal ideal, this gap is called "market failure". To put this into a cybersecurity context, corporations tend to invest in cybersecurity as long as it fulfils their business needs but are often reluctant to develop cybersecurity in order to protect society overall. As Andersson and Malm explain: "All private firms are responsible to their shareholders for operational business risks and have to prepare for contingencies and emergencies.

However, in general, market incentives are not compelling enough for private actors to provide the appropriate level of security for society as a whole" (Andersson and Malm 2007: 146). Are PPPs a way of bridging this gap? Are these collaborations between public and private actors creating a nexus from which cybersecurity can further develop in order to create resilient societies? These questions are not simple to answer especially since the emergence of pan-European PPPs. he "European Public-Private Partnership for Resilience" (commonly referred to as EP3R) is the most indicative example as it is a transnational effort that engages national governments, institutions and private actors and one of the very few that take place on the European level. TEP3R is an umbrella partnership, i.e. "Umbrella PPPs focus on the full security

life cycle, composed of deterrence, protection, detection, response and recovery" (Porcedda 2014: 6). Cooperation on these complex issues and among the plethora of complex actors naturally requires high level of coordination and organization. However, PPPs are not bound by a specific outcome or assessment framework, creating this way an uncertainty towards their effectiveness (Christensen and Petersen 2017: 1439; Porcedda 2014: 11). More specifically, the challenges EP3R and other PPPs face include cultural/structural differences, asymmetric hierarchies, divergence of motives and interests and most importantly lack of meaningful trust. Resembling the well-known phrase lost in translation, private and public entities often experience language and communication differences that create misunderstandings and inefficiencies in collaboration. These actors usually have their own perception of common things and function differently depending on their structure. As ENISA explains, "what is operational and what is technical might mean completely different thing in the different environment and work culture" (ENISA 2017: 35).

Although understandably this issue can be improved by time, at the onset of such relationships there should be a clear communication strategy set by all stakeholders in order to facilitate such miscommunications. Here, it should be noted that barriers do not only directly apply to public-private actors but also to public-public and private-private ones. For instance, different corporations encompass different working cultures and most countries differ significantly from each other, resulting to various cooperation methods with each other and EU institutions. Nevertheless, these miscommunications are not only mere language barriers. Frequently they indicate the underlying divergent interests and motives for participating in such partnerships. Corporations tend to be concerned with financial and reputational risks and how to mitigate their disruptive effects whereas public bodies are concerned with perpetrators and their motives for attacking (Carr 2016: 55; Christensen and Petersen 2017: 1445). Therefore, each actor's strategy towards responding to threats tends to focus on the aspect that affects their organization the most rather than society as a whole.

Moreover, miscommunications also take place due to lack of trust. Most scholars and assessments from ENISA tend to mention this issue as one of the major factors to inefficacies of PPPs. According to ENISA: "Building trust between public-private, private-private and public-public entities has been considered as one of the biggest challenges of PPP; eventually maintaining the same level of trust seems more challenging. Most PPPs define trust as an ongoing process, that involves personal relations and consumes a lot of time. In the evolution of a PPP, trust may be eroded, especially in the case of new members joining, or of the old ones not being active enough, or simply taking advantage of the services that a PPP offers without contributing to any of the defined duties" (2017: 5). Other ENISA reports state that conflicting interests diminish trust and hinder the process of information sharing. As the provision of a public good relies heavily on an actor's commitment and willingness to contribute towards it, trust between organizations is a very important pillar of this process. A primary reason for not being able to easily forge relationships of trust between public and private actors is the reluctance of sharing information. Despite access to information being a fundamental desire for all parties in PPPs, the willingness to reciprocate information is quite low. For public bodies, sharing information could imply the sharing of

classified material or risk somehow exposing these materials to third parties. Additionally, as information deriving from public actors is expected to be accurate, there is a long bureaucratic process to verify information before releasing it which often results to lags in time-sensitive situations. For private actors, holding onto information provides companies with a market edge which may be lost once information is distributed as PPPs often encompass multiple competitors that might end up accessing the information (Carr 2016: 58-59). Information sharing is regularly viewed by all actors as a form of power sharing that might make the actor vulnerable. Also, since we have explained cybersecurity through a public good perspective, not sharing information could be seen as a form of free-riding. Making use of the available information without reciprocating the contribution. This practice not only results in the underprovision of the good but generates further societal damage (Irion 2013: 89). Another cause for diminished trust is the reluctance to accept accountability and responsibility in case where failure occurs (Irion 2013: 89).

As Carr puts it: "the private sector has consistently (and perhaps understandably) expressed an aversion to accepting responsibility or liability for national security and regards cybersecurity within a cost/benefit framework rather than a 'public good' framework." (: 61-62). The power diffusion that knowledge sharing creates also requires the diffusion of responsibility and often actors are not willing to accept their share. Similarly, to private actors, public actors may also attempt to avoid responsibility for national/European security. (: 44). This deadlock, calls for greater willingness to accept accountability and for the need to establish explicit guides from the beginning of the partnership. The challenges that have been examined throughout this chapter present significant obstacles to PPPs. However, scholars are still quite optimistic on utilizing these differences in order to generate innovation and efficient cybersecurity policies.

For instance, Christensen and Petersen propose their idea of "partnering through dissent" (:1449). This concept embraces these differences and reservations and argues that they entail exchange of novel ideas and creativity towards finding ways to cooperate that may turn PPPs into a success. They also emphasize how reputational risk is increasingly becoming important for private corporations. Such risk, refer to the importance of corporate social responsibility, resilience and the role of companies as active members of the social sphere (:1437). This changing nature of companies may create loyalty and willingness to envisage cybersecurity as a public good.

Despite some inefficiencies in PPPs, the EU has made a major step in creating a transnational framework for tackling cybersecurity issues. As we have seen such challenges include aversion to share information, accepting responsibility and forging relationships of trust. Since ultimate cybersecurity does not exist, institutions, governments and corporations should embrace productive failure and push for more trust and sharing between them as well as accept their share of responsibility. This way, PPPs will not be a form of privatized policy-making but rather a holistic effort to reach societal optimal levels of security. However, in order to ensure that this information sharing remains within democratic boundaries, civil society should also actively participate within cybersecurity policy-making. The second part of this article will focus on the importance of including members from the academic sector, not-for profits and even individuals in order to ensure fundamental rights and resilience.

**REFERENCES**

Andersson, J. J., & Malm, A. (2007). "Public-private partnerships and the challenge of critical infrastructure protection". In I. Abele-Wigert & M. Dunn (Eds.), International CIIP handbook 2006 (Vol. 2). Center for Security Studies, ETH Zurich.

Carr, M. (2016). "Public-private partnerships in national cyber-security strategies". International Affairs, 92(1), 43-62.

Christensen, K., & Petersen, K. (2017). "Public-private partnerships on cybersecurity: a practice of loyalty". International Affairs, 93(6), 1435-1452.

European Commission and HREU (2013) "Joint Communication to the European Parliament, The Council, The European Economic, and Social Committee and the Committee of the Regions. Cybersecurity Strategy of the European Union: An Open, Safe and Secure Cyberspace", JOIN 1 final.

European Network and Information Security Agency (2011). "Cooperative Models for Effective Public-Private Partnerships. Desktop Research Report", Luxembourg: Publications Office of the European Union. European Network and Information Security Agency (2017). "Public-Private Partnerships (PPP).

Cooperative models". Jagoda, P. (2012). "Speculative Security" in Cyberspace and National Security: Threats, Opportunities, and Power in a Virtual World, Washington DC: Georgetown University Press, pp. 21-36.

Porcedda, M. (2014). "Public-Private Partnerships: A Soft Approach to Cybersecurity? Views from the European Union". SSRN Electronic Journal. doi: 10.2139/ssrn.3169945 Rosenzweig, P. (2012).

"Cybersecurity and Public Goods. The Public/Private "Partnership". Emerging Threats Essays, Hoover Institution, Stanford University, pp. 1-36.

# CALL FOR PAPERS

Have you written a paper that you deem of high academic quality and that could be an interesting contribution to the next *European Policy Review*? We welcome submissions on topics ranging from European integration to technological innovations to European law. In short, if you have written on anything that is related to EU politics and/or EU policy-making and you fulfil the following criteria you are good to go; no matter whether your topic is connected to the social sciences, natural sciences, humanities, or anything in between or beyond.

## Criteria:

- Between 3,000 and 6,000 words in length (excluding footnotes and references)
- Not older than two years
- Written in academic English
- Includes an abstract of up to 300 words
- Word file (no PDFs)
- "APA" reference style
- In order to guarantee the anonimity of the review process, please ensure that your name is removed from all pages
- Please include a separate top sheet with your name, contact information (including personal e-mail, university e-mail, and phone-number), and a short biography of approximately 50 words

Papers will be submitted to an initial review by the editorial board for a preliminary selection. The most promising papers will go through a formal peer-review process.

Please submit your paper to the official e-mail address for the journal: editorinchief@esthinktank.com

We hope to publish the second edition of the *European Policy Review, Volume 3*, in the summer of 2020.

If you have any questions, please feel free to contact us.