EUROPEAN NEIGHBORHOOD POLICY:

(multi-level) governance, the reform process and prospect of enhanced cooperation in the region
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Katarzyna Żukrowska, Anna Visvizi, Joanna Stryjek, Małgorzata Zajaczkowski

Warszawa 2017

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what was followed by maternity leave. Despite the resulting obligations she was able to follow what was going on in the project, she wrote her texts and prepared them for publication. The absence of Dr. M. Grącik-Zajaczkowski was effectively covered by her and my colleague from the Institute: Dr. Joanna Stryjek. Dr. J. Stryjek in the time of run of the project became a deputy dean in WSE. The additional administration obligations haven’t prevented her from the responsibilities deriving from the realisation of the project. After return of Dr. Małgorzata Zajaczkowski to her duties, she has done it with double energy load, what can be explained by the fact that she is mother of two energetic girls. Dr. J. Stryjek has offered her support, what means that she was strongly feeling responsibility of the success of the project.

We need to remember that working together, undivided, we can do much more and reach much more complicated goals then playing as individuals. This concerns the specific project we have just finished but is not limited to it. It also concerns the work of our Institute, our Collegium, as well as our University – Warsaw School of Economics. This finding goes much further it embraces cooperation between scientific and academic centres as well as the whole country. The last sentence is a wider reflection, which goes beyond the edge of our research project. Cooperation is important especially in a politically divided country or even wider: a number of divides which all of us face in the world political and economic relations.

Katarzyna Żukrowska
Podkowa Leśna 14.05.2017
The situation in the closest EU neighborhood is an important element of the EU’s security and growth conditions. Europe has witnessed this recently, in the last years. This shows how the regions bordering with the EU Member States are important and explains why the EU is interested in advancing their process of economic, political and social stabilization. It also points at the importance of the study.

The European Neighbourhood Policy (ENP) was launched in 2004 as a follow up of Communication of the European Commission. The document was entitled “Wider Europe – Neighbourhood”. The initiative was put on the table by Poland and Sweden in result of the unprecedented EU enlargement by the 10 new members. The policy from the start included two dimensions: Southern (continuation of the EU policies addressed to Northern African states resulting from ties of the European states with the Mediterranean neighbours) and Eastern (towards the new neighbours of the EU after the enlargement in May 2004).

The Southern Dimension was revised in 2011 after the so called “Arab Spring”. The substance of change followed the slogan: “more for more”. In other words the EU offers Stronger Partnership for a stronger neighborhood. The next revision, most current one was done in 2015. It was aimed at stimulating stabilisation, security and wealth in the two dimensions Eastern and Southern. The ENP currently is synchronized with the Global Strategy coined by the European Union within the framework of Foreign and Security Policy. The problem gains importance as both regions of the neighbouring states are in open conflict. European Union supports the neighbouring
regions financially by the European Neighbouring Instrument (ENI). ENI’s allocation is € 15 billion within the Multiannual Financial Framework 2014–2020¹.

The ENP covers 16 states, which are:

- Algeria
- Armenia;
- Azerbaijan;
- Belarus;
- Egypt;
- Georgia;
- Israel;
- Jordan;
- Lebanon;
- Libya;
- Republic of Moldova;
- Morocco;
- Syria;
- Palestine;
- Tunisia;
- Ukraine.

Not all states take advantages from the available sources and expertise, what is usually followed by use of financial means. It is normal that foreign cooperation is limited in a number of enumerated states. Some like Ukraine or Georgia see their future relations with the EU as members. Recently both of the states have signed Association Agreements, which is applied in stages. Currently this means free trade with the EU. Mediterranean states have longer lasting experience in institutional ties with the EU.

The EU continues economic and political cooperation with the ENP partners but on top of that a new component was added. The latest Review of the ENP included also security matters. This is done despite the fact that the EU tries to meet all the national interests of the ENP-Partner states, what in practice leads towards individually tailored solutions applied in the model of bilateral cooperation introduced in a multilateral framework of the ENP. EU does not reject its values and

human rights but on top of that it includes also security problems. In short the EU covers four areas, which are seen as core of the new ENP. Those areas are following:\(^2\):

- Good governance, democracy, rule of law and human rights;
- Economic development for stabilization;
- Security;
- Migration and mobility.

The policies applied by the EU towards the ENP partners are strongly differentiated. Situation in each country, advancement of changes and deriving needs dictate what is included in cooperation pattern. Here we can see some similarities between the ENP-EU relations and EU-East Central European states relations, which lead to the membership. The state – EU institutional tie was at that point regulated by different types of agreements: Association Agreement in form of Europe Agreement, Cooperation and Trade Agreement or Stabilization, Association Accord and Partnership and Cooperation Agreements. Within those agreements of different type the Partner State declared what it plans to do during nearest 12 months and the European Commission evaluated the progress, launching each year the Progress Reports. That was a type of external control of the declaration what the state plans to do and what was done in the reporting period from the list of “things to do”. In spring 2017, currently, ENP Review will be adopted. It will reveal what was done within the ENP and what was left aside. This will be followed by a list of regional challenges and formulate the current priorities, replacing the ones that were already exploited and fulfilled. They will be put into the new association Agendas and Partnership Priorities. At this state of mutual relations between the Partner states and the EU – the Association Council remains as the most important communication body. It plays the role of a supervisor in the process of implementation of the different types of agreements which are signed between the Partners and the EU. The mutual cooperation covers such areas, which are very similar as the chapters the new-Member States of the EU negotiated in their membership agreements. This indicates that the ENP states are being prepared for closer cooperation with EU internal market, adjust-

\(^2\) Quoted after the source mentioned in footnote 1; European Commission – Press release Review of the European Neighbourhood Policy (ENP): stronger partnership for a stronger neighbourhood, Brussels, 18 Nov. 2015.
ing the conditions of work of different areas, such as health, administra-
tion, competition, education, research, public finance, public procure-
ment, energy, small and medium enterprises, customs, taxes, trade,
phytosanitary, sanitary barriers, education, youth and culture, civil
protection, statistics, space, information society, employment and social
issues, mobility and justice, home affairs.

ENP states can participate in programs offered to the EU Member-
States. They could have done so even before the ENP was launched. This
solution shows open society approach to the ENP and brings the states
closer to the EU’s centre of cooperation.

The project entitled European Neighbourhood Policy: (Multi-level)
Governance, the Reform Process and the Prospect of Enhanced
Cooperation in the Region was conducted in years 2014–2017. It has
benefited from funding under the Polish National Science Centre (NCN)
grant within the frames of OPUS/HS5, No. 2013/09/B/HS5/04534.

It has gathered 12 scientists who had conducted the research, they
represented 4 scientific, research and academic centres. Within the
frames of the research we have organized 3 scientific conferences in
which results of the research were presented. In addition to researches
engaged in analysis of the current and timing problem – the conferences
attracted also representatives from the European Neighbourhood Policy
(ENP): diplomats, researchers and analysts. We were able to talk with
diplomats who were present both in the EU-Partner states as well as the
ENP-Partner states. Some of them, like His Excellency Ambassador dr.
Tomasz Knothe was active when the ENP was introduced in Armenia,
which was a state not included with the first start of the ENP. Two of
the conferences were organized in Lublin (Lublin Catholic University)
and Warsaw School of Economics (WSE, Socio-Economic Collegium),
namely Institute for International Studies (IIS). Within the run of the
project 42 papers were prepared. More than half of them, 25, were
published in the prestigious Yearbook of the Institute of East-Central
Europe (YIESW) and are available also on-line. Still part of the papers
are waiting to be published in a number of international periodicals.
The rest, which was carefully selected are published in this e-book. The
e-book is published with the same title as the whole project, what is
a deliberate measure as it contains the information on the remaining
papers and where they can be found. So using this publication one can
reach out the remaining papers. The full list of papers is given at the end
of this book.
The research was aimed at analysing why the policy was launched, what was its purpose, how the policy was changing, what were the reasons why the policy was changing, what areas it covered, where it was effective, where it was less effective or it turned to fail? The final conference, organized at the end of our project, held on 9th of May 2017 was titled: European Neighbourhood Policy – Is It Ending? The conference was organized in 2 panels: first, ENP: great project – limited results? Second panel: Reasons of failure and attempts to save the ENP. List of panellists embraced: Joanna Kwiecień (analyst), Ambassador Dr. Tomasz Knothe, Daniel Szeligowski (analyst), Professor Justyna Zając (Warsaw University), Professor Katarzyna Żukrowska (WSE). The panellists tried to balance between the two dimensions of the ENP: Eastern and Southern. Professor J. Zając concentrated on the Southern dimension, while Daniel Szeligowski was arguing in favour of the Eastern dimension of the ENP. Professor K. Żukrowska, tried to make it up between the two dimensions introducing a fourth player into the playground. In addition to EU Member-States, Partners of the ENP from Eastern and Southern dimensions – she has added China and its presence in the three regions, namely the Silk Route with its two financial sources (The Asian Infrastructure and Investment Bank, Found for Silk Road) and absence of conditionality. Arguments were coined that all the mentioned actors should cooperate together as all have complementary interest and economies.

The book consists of two parts: Part one: Theory and Practice of the ENP. The EU Presence in Governance of the Processes of Change, containing five chapters. Part two: Increasing the Effectiveness of the ENP, which contains six chapters.

The objective of this research-project was fourfold: (1) to dwell on the implications of the ENP for the processes of reform and change in the EU’s neighborhood in view of establishing a novel platform of cooperation at the EU’s frontiers; in this context; (2) to inquire into the question of the EU’s capacity to trigger and manage the processes of reform and change, i.e. the EU’s capacity to govern; (3) to develop a governance approach to the ENP; and (4) to suggest ways of exploiting the potential inherent in the ENP in view of fostering inclusive growth, sustainable development and improving quality of life at the EU’s frontiers.

The conceptual focus of the research was to analyze the EU’s capacity to govern and ability to effectively manage the dynamics specific to
multi-level, overlapping and shifting (frequently informal) spheres of authority in an evolving internal and external context with the aim to attain specific policy objectives acceptable to its member-states and the addressees of a given policy (framework). This understanding of governance recognizes that governance involves formal and informal structures necessary for the processes of deliberation, negotiation and agenda-setting. It stresses that a variety of actors is involved in these processes, whereby the EU-level discourses are frequently employed by key EU actors to pursue particular goals and objectives. It recognizes therefore the role of interests and preferences and the processes and mechanisms by means of which they are translated into policy-objectives at the EU level. It recognizes that the policy-making process in the EU is dispersed and takes place at a variety of levels (supranational/ international, national, regional and local) and in a multitude of institutional settings. As the spheres of authority within the EU are increasingly blurry and shift from one issue-area to another, governance becomes a dynamic concept depicting the evolution of the EU as a polity and a progressing diffusion of its geographical and political frontiers.

Although the literature abounds with contributions on the ENP, the question of governance – and for that matter the governance approach to the ENP – remains under-researched in the academic debate on the subject. To bypass this weakness, this research-project develops a governance approach to ENP. The value added of the governance approach to ENP is that it opens up the possibility of applying it to the study of the EU and its policies towards its neighbors. The EU is seen as the centre whereas its neighbors as the periphery. The EU’s external policies, in this case the ENP, represent an attempt at managing the centre-periphery relationship. It is argued that in an environment characterized by progressing liberalization and growing interdependencies, the periphery and the alternative spheres of authority are becoming as important as the centre. Accordingly, it is the dynamics of interaction that defines the power of influence rather than anything else.

In this view, the really interesting observation consists of the following: The traditional EU-centric approach would suggest that the EU assumes

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3 This definition of governance, introduced for the purpose of this study by one of the team-members, draws on the growing literature on governance, including among others: Jachtenfuchs (2001), Jachtenfuchs and Kohler-Koch (2004).
the role of a trigger vis-à-vis the new platform of cooperation that the ENP could prospectively lead to. The novel approach to governance that this project develops suggests however that – since the centers of authority shift geographically and are dispersed at a variety of levels – the EU’s influence on the process of reform and change in its neighborhood is conditioned by a variety of new factors, including the alternative spheres of authority. Therefore, if the EU’s goal implicitly attached to the ENP is an incremental establishment of a novel platform of cooperation which would foster inclusive growth and development in the region, then the EU’s success in this regard is a function of the EU’s capacity to manage this complexity of new factors, i.e. its capacity to govern.

The basic assumptions of this research included: First, it was assumed that (multilevel) governance offers political and institutional framework conducive to introducing change in countries subjected to ENP’s goals and objectives. Second, it was assumed that a Troika consisting of the European Commission, a neighboring country involved in the ENP, and the EU member-states is interested in cooperation that the ENP framework fosters. This is because ENP helps to shape, introduce and exert control over the process of change (institutional, economic and political reform process). Third, it was assumed that (multilevel) governance improves the effectiveness of change (institutional, economic and political reform process) as compared to attempts at introducing change by national authorities without anchoring it in a broader institutional setting. Fourth, it was assumed that geographic proximity and the resulting plethora of historically determined particular and specific interests and preferences of the EU member-states and the beneficiaries, renders the ENP a particularly (political) emotion-laden policy-framework. Fifth, as the structure of interests and preferences is extremely thick and a multitude of layers overlap with a diversity of actors seeking to establish multiple equilibriums (of influence and power) concurrently, the ENP represents a unique case study of governance. All the assumptions were proved within the study. This was so, despite a number of conditions, which were seen as (relatively) stable background – creating foundations for the research – have changed.

Katarzyna Żukrowska
I. THEORY AND PRACTICE OF THE ENP.

THE EU PRESENCE IN GOVERNANCE OF THE PROCESSES OF CHANGE
I. THEORY AND PRACTICE OF THE ENP.
THE EU PRESENCE IN GOVERNANCE
OF THE PROCESSES OF CHANGE
The outcome of transformation is a result of the contents of the program and determination to fulfil it. It requires specific skills which help to manage the process. Management and control require the involvement of internal and external institutions. The effectiveness of the entire process of changes depends on the society’s support for introducing the changes, which lessens with time. This means that changes, as complex in scope and depth as they are, must be carried out in a relatively brief time. National institutions on both central and local various levels need to be involved, as well as enterprises, investors, media, etc. The process requires external management as well, that helps to control it and provides support both financial and in the form of expert counsel. It is important for the blend of the policies developed by the state going through transformation and those advised by external institutions, organizations, bodies and experts to be presented in an informed way. This study discusses the roles of different institutions engaged in managing the process and the division of workload among them in a cooperative contract.

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1 Professor, director of the Institute of International Studies, Collegium of Socio-Economics, Warsaw School of Economics.

2 This research project has benefited from funding under the Polish National Science Centre (NCN) grant titled ‘European Neighborhood Policy: (multi-level) governance, the reform process and the prospect of enhanced cooperation in the region’, OPUS/HS5, No. 2013/09/B/HS5/04534.
At no point can the transformation process be managed solely by internal or external forces. It has to be done through cooperation of both forces in a policy blend which is acceptable for the society, politicians and states that are the members of supporting international bodies, institutions and organizations. Concentrating solely on one side of the process support and guidance – either internal or external – will cause difficulties in reaching the planned goal, which is a successful transformation. Using only internal sources and forces will result in raising barriers between the state undergoing transformation and the surrounding environment which may lead to protectionism and rejection of closer cooperation with neighbours. The use of external advice without national identity of a country in transition will result in rejection of externally imposed models of change. This shows in a simplified way that there should be a balanced mixture of internal and external forces, institutions and experts, cooperating closely and guiding the reforms through the difficult period of change. This paper presents internal and external institutions engaged in the process and discusses the problem of work division between national and international institutions. It also points out the problem of changing political support, which shifts with passing time and advancement of system changes. A separate part of the paper is devoted to the dialogue between the politicians and the society. Communication, methods used in communication, followed by confidence and trust are issues of similar weight and importance as timing, scope of the program, preparation of its contents and determination to realise it despite the encountered difficulties.

To answer the question how to govern the system changes in Southern dimension one needs to understand what is important in each transformation, who plays a crucial role in it, who can play that role and who can support those changes remaining in shadows and why this is so.

1. Internal (national) institutions and players

The term of institution is used for certain patterns of repeated behavior, both formal and informal. This includes structures and mechanisms and channels connecting these structures used for different purposes (to regulate, subordinate, communicate, control, educate, etc.) in a given community (individuals or groups of individuals). What is meant by

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formal institutions is also the government, its ministries and agencies that support the administrative work on various levels of governing. The term institution gave birth to a widely used term of “institutionalization” which is used to describe certain frames of functioning of institutions, international organizations or states that become members of such organizations and, through that fact, are obliged to follow rules and regulations agreed upon by the members of these structures\textsuperscript{4}. By becoming a member of such an institution/organization, a state obtains direct access to information on decisions made by the members. Moreover, membership being a conditioned privilege helps the member-state to build its image of a reliable partner who follows certain rules which are obligatory for all the members.

Internal institutions can be divided along different criteria, such as their competences (central, regional, local), the source of their financing (state, private) or the role they play (administration, legal, channels of communication, information, control, advisory, banking, etc). As it was mentioned, the program of changes has to be wide, complex and well prepared. The starting point of the reforms matters, as it can influence the level of social support for the changes and how desperate the society is to replace the old system with a new one.

This has to be explained in a more precise way: the better the system, which is planned to be replaced by a reformed model functions – the shorter the social support for those who talk about the need of changes will last. It also needs to be made abundantly clear that changes do not come free of cost and cannot be done overnight, that the burdens of changes will be felt for a certain period of time. The longer the reforms take, the less supportive the society is to those who are backing the changes and pushing them forward. The credit of trust given by the society to the leaders who introduce the changes quickly disappears\textsuperscript{5}. This means that anything that can be prepared and done before the start of the changes, has to be done within the old system. This includes legal arrangements, institutional changes, more flexible laws, etc. It is, however, difficult to prepare a solid institutional and legal background in


a non-market environment. Especially bearing in mind that it has to function while the conditions change and market forces replace central planning. How can this be done? Some regulations can be prepared with FDI in mind, others with the help of national markets which influence certain areas like enterprises, banking or stock-exchange. In some cases, pre-war regulations can be implemented in others it can be useful to rely on the experience of other states that went through such changes. Some regulations will be completely new, others can be built upon old regulations to which new determinants are added.

Advice of (representatives of) other states can be perceived by the society undergoing transformation as an attempt of that state or states to subordinate some enterprises, sectors, institutions or even the entire transforming state by making it follow guidelines that do not necessarily correspond with the way people understand how things should be done. This shows that at the initial stage it is important to have people who are reliable and trusted and make the whole process socially acceptable. This shows how important it is who leads the reforming effort.

Institutions are always engaged in changes and they guide the changes in their specific areas. Nevertheless, there is always a need for a person, a politician, a leader to be the face of the change. Someone has to be perceived as the inventor of “the way to change the state” and lead it from one point to another. In other words, someone has to take responsibility for the program of changes. It needs to be “personalized”. In simple terms, there is a need for someone to take the “blame” for failure or success. More often will that person have to shoulder the responsibility than be seen as a hero able to guide the nation through the painful process of changes successfully.

The model here is simple: reforms are always painful, which means that they naturally incorporate costs. If the nation (individuals, representatives of the nation as well as the nation as a whole) goes through a process of pauperization – the politicians who are responsible for the reforms cannot be seen as different (i.e. rich, wealthy), being politicians they can’t lose close ties with the society they are representing\(^6\). They can’t be alienated. They need to face more or less similar problems as the others. Otherwise they won’t be perceived as representatives and they will lose the mandate they were granted at the beginning of the process.

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\(^6\) This simple finding can be illustrated by such leaders as L. Balcerowicz in Poland or Mahatma Gandhi in India.
This is an important problem as we can say that politicians working so hard need a “better treatment” than “ordinary people”. Having said that, we need to understand what “hard work” means. In what sense is it harder than the work of any other person in the society. It is easy to exaggerate here. There is a strong temptation to show that a “hard working person” deserves something better: higher salary, better car, upgraded standards of living, better tailored clothes and elegant shoes. It is true but this should coincide with the increase of the standards of living of the whole nation. Otherwise these “higher standards” can easily cause the shepherd to become alienated from his sheep. Alienation means a lack of communication and understanding. This problem is important in all transformation (revolutionary) processes. The shepherd has to be true in his behavior. It means being representative with whom the crowd can identify, closely communicating with voters, etc. He can’t play this role without being “one of the crowd” – a simple chap who speaks the same language as the people, an interpreter who explains that the incomprehensible specialized terms actually mirror phenomena and factors that influence their everyday life. The leader (the shepherd) should be real and honest in what he does. Failure in this aspect immediately reduces the credit of trust he was given by the voters. It can melt in a single day.

What advice can the states that are changing their system be given? Gradualism is always a tempting perspective but it comes with additional costs. Having to face burdens and costs, people reject changes and, in the future, become dismissive and hostile to the idea that for change to happen they need to suffer. The Chinese example is often referred to – the Chinese way is supposed to be better as it was not accompanied by transformation depression. This is true but at the same time the Chinese strategy of systemic changes was built upon low labor costs and follows the Japanese model of development with high industrial investments and industrialization. East-Central European transformation was constructed upon the vision of post-industrial changes, accompanied by relatively low share of industrial investment in total investments.

The question that needs to be answered here is which way to go. Whom the countries from the Southern dimension should follow? The Chinese model with a stage of industrialization or the East Central European one with a share of industry but heading towards post-indus-

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7 Such situation easily can be illustrated by the communist leaders who, with minor exceptions, were living in much better conditions than the rest of the society.
trial phase of development. The Chinese model was easy to implement as it was built upon deep reforms in agriculture, that supplied the labor market with people released from work in villages, growing rice. Southern economies do not have reserves in agriculture comparable to the Chinese ones.

Table 1. Institutions and actors

<table>
<thead>
<tr>
<th>Level of functioning</th>
<th>Institutions</th>
<th>Source of financing</th>
<th>Actors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central (whole state/ nation)</td>
<td>Parliament, central institutions: ministries and agencies (development, employment, structural reforms, etc.). Including head of state and head of government.</td>
<td>Central budget</td>
<td>Politicians, specialists nominated for that special posts. Including prime minister, president, ministers, etc.</td>
</tr>
<tr>
<td>Other national institutions</td>
<td>Stock exchange, National Central Bank</td>
<td>Often to large extent self-financing</td>
<td>Experts/ managers nominated within transparent and formally approved procedure which is known and clear to all</td>
</tr>
<tr>
<td>Hierarchic institutions with state scale networks</td>
<td>The courts (judiciary), auditors, police, security guard, banking system</td>
<td>Central and local budgets</td>
<td>People nominated within approved and transparent institutional and legal regulations</td>
</tr>
<tr>
<td>Central</td>
<td>Constitutional Tribunal</td>
<td>Budget</td>
<td>The President of the Tribunal, set of judges</td>
</tr>
<tr>
<td>Media, both central and local (TV, radio, press, daily papers, weeklies, monthlies, internet service, etc.)</td>
<td>State owned and private, free and paid</td>
<td>Advertisement, fee for access, license, Subscription</td>
<td>Journalists, celebrities, experts, etc.</td>
</tr>
<tr>
<td>Whole state (specific areas)</td>
<td>NGO’s</td>
<td>Donations, grants, financing competitions</td>
<td>Managers of the NGO’s, experts, hired scientists</td>
</tr>
<tr>
<td>Local level</td>
<td>Local institutions and administration</td>
<td>Central budget and local taxes</td>
<td>Local politicians</td>
</tr>
</tbody>
</table>

Source: own arrangement.

Legal and institutional arrangements concerning staff appointments in the mentioned institutions should be clear, predictable and transparent. This also includes time of work (length of the term of office and number of terms of office), needed skills, possibility and the form of reelection. Terms of office in specific institutions should be overlapping, which helps to keep their neutrality. Regulations should also include requirements
concerning balance between parties present in the political scene. People who are not associated with the parties or ruling a party need to be included. What is interesting is that the indicator of labor unionization and politicization of nations (measured by active membership) is falling and relatively low in most states. This does not mean that desire to be in the influential circle “helps” people to join a party. The success to do so is only temporary and a relatively big fluctuation between available parties is observed. All the new features of the political scene demand deep, precise changes of the legal arrangements concerning nominations and posts, both in new and old democracies. Proceeding along the pattern of “new label – new quality – same people” is what ails a system with frequent party membership changes and renaming existing parties. Some experts voice the view that postmodern, post-real world should be accompanied by post-party structures. A few examples from the Polish experience follow: KOD (Komitet Ochrony Demokracji – Committee for the Defence of Democracy), Kukiz’15 (a movement initiated by a pop-singer, Paweł Kukiz, leader of the rock band called “Piersi” – “The Breast”). The Committee was organized in reaction to certain events which provoked protests of people – KOD was a “nugget” which emerged from the group of people who were spontaneously organizing protests. The Kukiz’15 movement emerged from Paweł Kukiz’s political activities. The early ones (2006–2007) were linked with his support in election of politicians associated with the ruling party, Civic Platform, such as: Donald Tusk and Hanna Gronkiewicz-Waltz. Kukiz was a member of the election committees of the politicians mentioned. In 2009 he became the editor of the “nieobecni.pl” (absent.pl) web page. The page concerned the cemeteries with German, Jewish and Polish tombs on territories which were left by the families of the buried people. In the 2010 election he supported the politician Marek Jurek. In his political life, he declared himself as being against the adoption of children by LGBT people, he strongly opposes abortion as well. In 2010–2011 he supported All-Polish Youth and National-Radical Camp. Kukiz’s political career reflects his evolution as a radical politician. This shows that popularity and a clear, simple message to voters can be a successful strategy in present-day politics. The singer studied administration and political sciences but has not obtained a scientific degree.

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8 Such model is often called a “Reagan model” which is often used to join the political scene by actors, singers, presenters known publicly and popular.
Practice shows that a traditional division into two parties is being replaced by new structures (i.e. movements, social groups). Parties compete not so much through different economic programs, which was characteristic of the past but by offering solutions to some of the current problems. This is followed by changes in the language used in communication with the voters and the modes of such communication. Formal methods are often replaced by informal ones, such as Twitter, Facebook and other social networks. This way a very wide group of people can be reached and mass support can be acquired.

2. External (international) institutions

Domestic institutions are not the only ones that matter. An important role is also ascribed to international organizations known for their positive role in guiding states through the process of reforms. Such international organizations specialize in specific areas of the economic and financial systems, thus by offering their specialized services, they help respective national administration units and their networks to cooperate on the world scale. This is the case of postal services, banking, telephony (both stationary and mobile), internet, etc. Membership in specific organizations is acquired in specific order, which means that the membership in some organizations is required in order to become a member of others. After membership is acquired an agreement concerning macro stabilization, introduction of convertibility of currency or openness of capital inflows, etc. is often made. Conditionality in membership is alternatively known as membership consecutiveness. In case of Poland and East Central European states it was first IMF, followed by the World Bank and GATT/WTO. Without a membership in WTO an agreement on free trade with the EU is rather impossible. An exception was made for Russia and Ukraine who have both first signed the PCA (Partnership Cooperation Agreements) with the EU, which incorporated several regulations liberalizing trade with the EU.

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Russia became a member of the WTO on 22 August 2012, while Ukraine on 16 May 2008.

**Table 2.** Membership in WTO and other international organizations (agreement with the EU)

<table>
<thead>
<tr>
<th>State</th>
<th>GATT/WTO membership and date</th>
<th>IMF</th>
<th>WB</th>
<th>Agreement with the EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jordan</td>
<td>11 April 2000</td>
<td>29.08.1952</td>
<td>29.08.1952</td>
<td>AA</td>
</tr>
<tr>
<td>Libya</td>
<td>Not a member</td>
<td>17.09.1958</td>
<td>17.09.1958</td>
<td></td>
</tr>
<tr>
<td>The Palestinian Authority</td>
<td>Not a member</td>
<td>Not a member</td>
<td>Not a member</td>
<td>Interim Agreement of AA</td>
</tr>
<tr>
<td>Syria</td>
<td>Not a member</td>
<td>10.04.1947</td>
<td>10.04.1947</td>
<td>CA</td>
</tr>
</tbody>
</table>


Clearly, relations with the EU are institutionalized according to the model of membership in IMF, WB and WTO. The exceptions were made for the Palestinian Authority within the Southern Dimension of the ENP and within the Eastern dimension for all the states which have signed the PCA. This fact shows that the EU not only tailors the type of agreements which are signed with distinct groups of states in mind, but also introduces exceptions in conditionality which leads to such agreements.

Information given in Table 3 indicates that the Southern dimension of ENP included different activities which were conducted within institutional frames tailored with individual and unique conditions of each state of the region in mind. Special attention was paid to encouraging political and economic reforms, keeping in mind each region's specific features and regional cooperation, which is closely connected with Middle East Peace Process with engagement of the US, EU, Russia and the UN. The entire process in a natural way addresses close dialogue
Table 3. Relations of the ENP partner countries with the EU (form of institutionalization)

<table>
<thead>
<tr>
<th>ENP Partner Country</th>
<th>Agreement with the EU</th>
<th>FTA provisions</th>
<th>Country Report</th>
<th>Action Plan</th>
<th>Adaptation by the EU</th>
<th>Adaptation by the ENP PC</th>
<th>AP duration</th>
<th>CFSP invitation</th>
<th>EU aspirations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>AA 09.2005</td>
<td>+</td>
<td>Under development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Morocco</td>
<td>AA 03.2000</td>
<td>+</td>
<td>05.2004</td>
<td>End 2004</td>
<td>21.02.05</td>
<td>27.07.05</td>
<td>3–5 years</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Egypt</td>
<td>AA 06.2004</td>
<td>+</td>
<td>03.2005</td>
<td>End 2006</td>
<td>05.03.07</td>
<td>06.03.07</td>
<td>3–5 years</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Israel</td>
<td>AA 06.2000</td>
<td>+</td>
<td>05.2004</td>
<td>End 2004</td>
<td>21.02.05</td>
<td>11.04.05</td>
<td>More than 3 years</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Jordan</td>
<td>AA 05.2002</td>
<td>+</td>
<td>05.2004</td>
<td>End 2004</td>
<td>21.02.05</td>
<td>11.01.05</td>
<td>3–5 years</td>
<td>Y+</td>
<td>N</td>
</tr>
<tr>
<td>Lebanon</td>
<td>AA 05.2006</td>
<td>+</td>
<td>03.2005</td>
<td>Autumn 2006</td>
<td>17.10.06</td>
<td>19.01.07</td>
<td>5 years</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Libya</td>
<td>Negotiations of Framework Agreement with Libya started in November 2000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Palestinian Authority</td>
<td>Interim Agreement AA 06.1997</td>
<td>+</td>
<td>05.2004</td>
<td>End 2004</td>
<td>21.02.05</td>
<td>11.04.05</td>
<td>More than 3 years</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Tunisia</td>
<td>AA 03.1998</td>
<td>+</td>
<td>05.2004</td>
<td>End 2004</td>
<td>21.02.05</td>
<td>4.07.05</td>
<td>3–5 years</td>
<td>N</td>
<td>N</td>
</tr>
</tbody>
</table>

\(^a\) Not envisioned in Action Plan but invitation sent. Decision by Jordan not taken.
\(^b\) https://eeas.europa.eu/headquarters/headquarters-homepage_en
\(^c\) extended in April 2008
AA – Association Agreement
CA – Co-operation Agreement
Source: https://eeas.europa.eu/topics/european-neighbourhood-policy-enp_en
with the external actors engaged in reforms of the region through expertise, finances, approval of immigration flows, education of migrants, etc. It also supports regional cooperation of the economies located in Northern Region of Africa. The efforts here are individually tailored for each country, which means that they include areas approved by the Partner country and the scope of cooperation which is acceptable for the Partner. The dynamics of the process is also strongly dependent on decisions on what is planned to change, in what way and how fast. Construction of the reforms prepared jointly by experts from the EU states and the Partner states considers institutions, structures and infrastructure designed in the Partner countries and respects the local traditions.

A comparison between the relations established between the EU and the ENP states in both dimensions – Eastern and Southern, shows that despite the duration of the relations with the “western” institutions and states, Eastern states approve more projects in comparison with the Southern states. Such comparisons help to show what is possible or available and how to prepare the projects and execute them. EU offers a number of new media and communication tools for the ENP states, which can be seen as a modern method of building identity among the ENP states while establishing positive relations with the EU at the same time. These tools are created within the EU platform of EU Neighbours Community. A proof of their operation can be found on Facebook, Twitter and Open Media Hub11.

This indicates that on top of traditionally established relations and practically applied methods that worked in the past in the East Central Europe or, earlier still, in the Southern Europe - new, effective models of communication are used. The novelty of the applied channels makes it possible to create civic society with international connections. Projects designed in individual states might be said to address local issues. This includes such activities as: (1) establishing connections in Euro-Med Region to facilitate an increase in trade, taking into account both internal and external changes; (2) creating recommendations for lifting barriers for private investment in young companies; (3) intracultural civic education in the East-Mediterranean region. Putting this general framework into practice can take many forms:

• The Erasmus Program helping to modernize the universities in Tunisia;
• Trade and Co-operation within the region and with the EU market. Establishing connections between the two dimensions of the ENP (Eastern and Southern) would be an important move here;
• Craftsmanship – tourist-created demand for hand-crafted items; for local market and exports;
• Support for activities which help women to gain independence, e.g. weaving in Egypt;
• Impact the migration has on trade growth (exports for diaspora living abroad);
• Support of the European Committee of Regions for local authorities in Libya;
• Access to finance, new markets, designing environmental friendly industry and farm policies in Algeria, Egypt and Israel.

Local institutions listed in table 1 have an important role to play in communication with international organizations and specific institutions of the EU. The same can be said about NGO’s in the EU member states as well as in the ENP Partner states. Importance, as it was mentioned above, is also ascribed to platforms of communication between the members of local society, neighbours and the EU’s society. They help to create identity ties, build interests and inform. The platform is also an important instrument of management and control. This shows that the EU, despite new dimensions and character of its already established relations, is able to adapt to new conditions and use new tools and channels of communication, helping to eliminate tensions occurring in other regions.

3. Work division between national and international institutions

The way the European institutions work proves that they are aware how important it is to prepare reform programs with participation of local authorities, incorporating specific interests and conditions of the state covered by the ENP policy. Inclusion of details concerning not only the relevance of laws and their goals but also details concerning number of terms of office, length of each term, conditions in which elections are
supposed to take place guarantee smooth performance of the institutions. The regulations should also include details concerning representation of the political powers which represent the structures of civic society in each country. This seems to be particularly important seeing the events that take place in such states as Hungary, Poland or, recently, Turkey.

International and local observers monitor the elections in countries that seem unable to meet the typical democratic requirements during campaigns and elections. On the international level this is formally done through observation missions that are deployed by specific bodies, such as the European Commission, or the ODIHR (the OSCE Office for Democratic Institutions and Human Rights). The representatives of the aforementioned institutions directly monitor the whole process of elections, including campaigns, socio-political climate, efficacy of meetings etc. They also supervise the preparation of voting cards and ballot boxes, observe any irregularities within the election committees’ works, etc. This is done in an exclusionary manner. All the election experts and people engaged in the observation process start their work long before the day of elections. They are present during every stage of an election (like candidate registration or electorate lists checking) and supervise its every aspect (legal framework, media coverage, effectiveness of administration engaged in elections, etc.). Close observation helps to spot pathologies and attempts of influencing the results but it does not eliminate them. At latest two referendums – the Brexit referendum in the UK (23.06.2016) and the referendum on assigning a wider role to the president in Turkey (the so called presidential laws) (16.04.2017) proceeded in a way that made shortcomings regarding democratic rules visible. In Turkey, the referendum concerned system changes through which parliamentary democracy would be replaced by presidential rule. In the Brexit referendum, it was not clearly stated what kind of majority would decide if the proposition was approved or rejected. A decision with a large potential impact on the long-term future of the country was arrived at through a statistical majority of votes instead of a weighted classified one. It was clear that big cities and agglomerations were in favour of staying in EU, while villages and small towns were in favour of Brexit. Also, two big regions: Scotland and Northern Ireland were in favour of staying in the EU, a sentiment additionally shared by London which has close connections with foreign markets including the capital market of the EU. All these translate into a result that should exclude
Britain from the EU structures with the approval of 51.9% of voters against the rejection of 48.1% with a turnout of 72.2%\textsuperscript{12}. This example shows the randomness of a referendum in a well-established democracy. The Turkey experience with the referendum illustrates practice of a democracy with long-lasting experience, yet younger than the British one. In the case of Turkey, the polls did not contain a question, but only answers: “yes” and “no”, which could be considered a manipulation. Also, some people were filmed voting more than once\textsuperscript{13}. Again, similar as in the British case, big cities voted against changes suggested in the referendum - the increase of presidential competences. Yet, 51.3% of voters were in favour and 48.7% against the changes with a relatively high turnout of over 80%\textsuperscript{14}.

Both examples show that important decisions have to be taken within a clear institutional and legal framework. The latter needs to be set diligently and attention to detail to pre-empt and mitigate future misunderstandings and problems. Moreover, differences in attitude towards proposed changes, apparent in both cases, show that the degree of determination to obtain and evaluate available information necessary to assess the said changes in a wider context, can be different in large cities, small towns and rural areas. What this means is that the information enabling a person to see this larger context, i.e. the way a proposed change would influence the country, its structure, wealth and prospects of development, should be prepared with a specific addressee (i.e. addressee from a specific area) in mind. The above examples show that this plays a significant role, both in states that belong to the Club of the Rich (OECD) as well as emerging markets, such as Turkey.

In case of the relations between the national institutions and the international organizations the role is manifold. Mutual relations such as twinned institutions, exchange of personnel, common committees, close co-operation and communication play an important role. It could be advisable to have a common platform for the twinned institutions,


which would help to solve emerging problems in case of administration in the ENP-Partner states. It could also create a natural network of people working in administration in different states. People should also be able to meet in person during periodic conferences. This could help them to upgrade their respective systems and introduce solutions that allow them to function more effectively. This means that solutions designed and modified with the most up-to-date examples could be implemented in states that are only just beginning to create efficient administration. Direct relations established during a conference should be maintained in everyday work in the form of virtual communication and counselling. Such direct networking could, for the people working in administration in different states that represent various stages of development, increase efficiency and create conditions for identifying oneself more closely with common goals and interests. Skipping several intermediate solutions in administration or the stage of elimination of mistakes made in the early phases of development can be seen as a solution which decreases the costs of reforms and increases the efficiency of the state sector that manages the economy. It could also help build confidence and trust of an ENP MS citizens towards the EU institutions and EU member states. A better functioning administration can quickly boost the economy and thus garner civic approval. A success story always brings support for people who have introduced such reforms. New solutions can be presented as internally designed, imported and adapted to local conditions (a mixed approach), or, finally as fully imported solutions, where “the national administration plays the role of a middleman” between the country and the EU institutions that created it. As far as sovereign rights or the national pride of each state are concerned, the first two models of cooperation between the EU institutions and the ENP-Partner states can be seen as most advisable. The best solutions are the ones designed by emigrants from the Partner-States who know the national conditions well but are also aware of solutions that can be applied in order to increase the effectiveness of local administration. Such solutions would be internal (national) and external (international) at the same time. Following that pattern, some of the former emigrants from ENP Partner regions could work in their former country representing both international organization and a given EU-Member-State at the same time. A number of states from East-Central Europe have applied such solution after 1989, e.g. Poland (S. Gomułka, J. Rostowski, J. Kułakowski).
Apart from twinning, TAIEX\textsuperscript{15} is another helpful tool used. The EU mechanism is open for solutions which are driven by current needs and problems encountered by the Partner-states. It is constructed in such way that it helps the Member States by providing expertise. Current problems which require solutions are addressed and solved in sets of workshops, expert missions are dispatched, the opportunity for study visits\textsuperscript{16} is provided. The EU mechanism is constructed in such a way that it helps to understand the applied EU laws and enables sending experts to the beneficiary states to provide in-depth advice concerning the three stages of law harmonization (transposition, implementation, enforcement). All Partner-states included in the Partnership instrument are covered by Twinning and TAIEX. The TAIEX does not focus solely on officials employed in central and local administration. Judiciary and law enforcement institutions, officials working in Parliaments and Legislative Councils, representatives of social partners, trade unions, and the employers’ associations are eligible as well. Requests for TAIEX assistance can be submitted by officials and other staff of the legislative, regulatory and supervisory institutions and inspectorates – the people responsible for implementing, enforcing and harmonizing legislation. They can be also submitted by MP’s as well as judiciary and law enforcement agencies.

4. The problem of political support

Support for politicians who bring changes can be seen as a temporary benefit which disappears with advancement of the reforms. This “specific law” of “rejection of revolutionists” after some time also works in conditions when changes are successful, which means that their results are visible, and have impact on the wellbeing of the nation. In such conditions the political scene has to be built upon at least two pillars – two main parties that can be surrounded by some smaller players. One strong party does not offer stability to the system. Though in several cases

\textsuperscript{15} TAIEX stands for Technical Assistance and Information Exchange, which is one of the instruments used in practice of the European Commission. TAIEX is used to support public administrations in the area of approximation, application and enforcement of EU legislation. TAIEX also facilitates the sharing of best practices by the EU and EU Member States.

changes were introduced by a single political power (the process of Japanese industrialization in the 1950-1960’s being one such case), this requires a disciplined nation, which is a rare occurrence as practice shows. More often, there is a need to change parties that conduct certain stages of reforms and structural changes.

Solving the problem of “support” requires creating new public figures – people who can gain mass approval and acquire a credit of trust for the party. Knowledge of that is important as it helps to prepare the political scene for permanent fluctuations as far as names of parties and people representing them are concerned. In the past, the division was simple and consisted in program differences. The system kept working for a time even though the programs of different parties converged. The reason why the same programs presented by different parties gained support was relatively simple. Both the people voting for left wing parties and those supporting right wing parties remained loyal to their chosen politicians, failing to familiarize themselves with the programs of the parties and politicians opposing their chosen candidates. This worked for a while, until the representatives of different parties started to accuse their political opponents of stealing their programs and ideas. This made the voters notice how little did the various programs differ which was the first signal that the political scene needed to change.

Changes on the political scene are needed as people compensate for lack of changes in their private life by making changes in other spheres they can influence. Changes in private life are risky in terms of results and they might have unexpected costs. Changes on the political scene make it seem as if something new happened. Declarations of the politicians are approved of if their speeches concern issues which the voters see as problems in need of resolution. The list is long: poverty, working hours, pollution, tax rates, jobs, national sovereignty and identity, protection, anti-globalization, overcoming the problem of bribes, dishonesty, etc. Political programs need only to propose to resolve a few popular issues to make voters notice how different the new approach is from the actions of the political group formerly in power. Fighting poverty through increasing the minimum wage ensures support when the previous ruling party hid behind the repeated mantra of “financial difficulties” and overcoming the “budget deficit problem”. Only a disciplined society (like the Japanese in Asia or the Swiss in Europe) or an economically educated one will understand the real consequences of applying loose monetary policy. Before the real consequences of policy change can be experienced,
the new politicians will have already gained support, acquired the posts they wanted, changed the laws and institutions.

This means that in order to keep changes on track and continue implementing them with a defined, relatively high speed, it is necessary to act within the society on several levels:

- Educate the society economically;
- Explain the benefits of the applied policy;
- Show the negative consequences of the rejection of such policy;
- Explain interdependence between the political and economic lives;
- Prepare new generations of politicians who can take over;
- Increase the readiness of re-labelling the party without losing the continuity.

Without awareness of the “rejection” syndrome or the “need to change” syndrome – parties who introduced significant changes can lose the posts they hold, contrary to their evaluation of the improving social support caused by their successes\(^\text{17}\), while the application of the methods mentioned above would help them to keep the said positions.

The aforementioned syndromes are evident in the case of the recently elected president of the USA, Donald Trump. Information was given that he is not able to tackle international problems and will be guided by Russia in his foreign policy. All the information was causing deep fall of the voters’ support for Trump in his first months of presidency. Trump’s hard hand response however has stopped the fall of support and even reversed the trend. Changes are slow but noticeable. During the last month, the overall support for Trump has increased by 9%. It varies in different areas of the applied policies (e.g. labor-policy or direction the country is headed in) with a tendency to drop, but the general trend shows an increase\(^\text{18}\). This is a result of weakening of some postulates that helped Trump to win the election campaign as they presented him

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\(^{17}\) Proves can be seen in Poland after 1.5 year of new Polish government in power formed by Law and Justice (PiS): [link](http://www.msn.com/pl-pl/wiadomosci/opinie/pisna-przegranej-pozycji-ten-sonda%5%bc-nie-pozostawia-z%5%82udze%5%84/ar-BBzYc4A?li=AAaGjkQ&ocid=spartanntp) (3.04.2017); this can be also proved in case of Britain and Brexit, where new anticipative elections were announced [link](http://www.msn.com/pl-pl/wiadomosci/swiat/niespodziewana-informacja-z-londynu-premier-may-zapowiada-przedterminowe-wybory/ar-BBzYQCp?li=AAaGjkQ&ocid=spartanntp) (accessed 3.04.2017).

in stark difference from the previous presidency and the remaining candidates. The strong-arm regime was visible in prolonging the sanctions towards Russia, new plane-carried nuclear weapon tests, demonstration of force by directing war-fleet towards the Pacific Ocean, etc. Change of policy in comparison with the election slogans can relate to the problems of changing and finally withdrawal from the declaration concerning Obama-care, the withdrawal of the strong declaration to build a wall on the US-Mexico border or renegotiations of NAFTA. As time passes, most of the declarations are forgotten.

Politics can be seen as making promises that are not fulfilled. The measure of a politician’s talent is his ability to convince voters that he would be able to fulfil his campaign promises. The second aspect of that talent is to withdraw from some of his declarations, letting the others take the blame for not fulfilling them.

The quoted examples show the ways in which the voters can be easily manipulated. However, difficulty of using manipulation in politics rises with the level of political education of the society. Voters can become sensitized to manipulation when they notice that campaign promises are not kept. They can learn by experience but it takes time. It is better and more effective to facilitate the learning by reforming the schooling system. It should explain the interdependence of economy and politics, show what international organizations do to support development and wealth in states and economies that make the effort to catch-up, explain how trade creates jobs and helps to specialize. The whole philosophy of the undertaking needs to build upon the theory of interdependence (Keohane-Nye\textsuperscript{19}) instead of the outdated theory of dependence (Prebish-Singer\textsuperscript{20}).

5. Political dialogue: politicians and society

Close and permanent dialogue with the society is one of the features of the current political scene. It helps to watch the changes in social perception of specific issues that are currently discussed by politicians as well as to get information on what ails individuals or group of people.


Knowing that, a politician can react accordingly, including the observed problems into the list of things that need handling. Political dialogue today can be realized traditionally - through meetings organized in radio or TV, where the voters can be present either in person or via telephone or internet. However, Twitter, Skype, Facebook and other social media have recently also become a very important model of communication. New communication technologies make the work of each politician possible to follow directly. At the same time, they are a means of making him aware of the problems that should be solved in the region where he was elected. Close relations with the voters give a politician a source of feedback on his work, a source of information about what needs to be done, what bothers the people. The use of advanced ICT creates new conditions in which politicians can become connected with a specific region and activities. It helps to form a bond and brings gains to those who master the ability to use these new media.

New media create a two-way feedback between a politician and the society. On the one hand the ICT help to control what a politician’s aims are and what he does. They make the declared programs to be reflected in real activities. On the other hand, they help to increase the politicians’ awareness of the problems that need solving and the things that need to be done. The list here changes as new problems arise and a politician has to react to them as soon as they occur. The inability to read such messages, interpret them and coin an action plan shows that the person who wants to be a politician does not fit the model desired by the voters.

Communication matters and the new methods of ICT can be used to increase the effectiveness of that process. ICT should not be seen as a channel that can be used by a narrow group of voters but as a powerful force which can bring an unknown person to the top or just the opposite – bring a well-known personality to the bottom, effectively eliminating him from the political scene. Communication is needed in all the institutions and on various levels: within an institution but also between institutions that are a part of central and local administration, between the said institutions and international ones, international organizations and the NGO’s.

6. Conclusions

Trying to answer the question of how the Southern relations could be effectively managed and what type of help would be desirable from the
EU and the EU MS, it should be said that the EU has unique experience in managing such relations and stimulating changes in a community that can be the driving force of changes. This can be done having the optimal goal and a set of different paths which the politicians can follow to fulfil that specific, precisely defined goal. Information about the goal and how it is fulfilled has to be supplied to the voters. They play a very important double role of both a controller and a goal-setter. This important finding has to be taken into consideration by politicians. Although the goals, methods of control and communication have changed, they occur at every level of administration: central and local. They also include communication between the mentioned state institutions and their international partners. To be effective in approving and introducing problem solving scenarios, the national body has to communicate with other politicians, bodies as well as other actors. The use of ICT plays a vital role here. Similarly do the emigrants who stay abroad for a certain period and gain experience comparable to external experts’. In such specific conditions, they could be both external and internal bodies but confidence in their advice would be larger than in the case of external experts.

In the case of better use of the multi-level coordination in the ENP in relations with the Southern states, the EU and the EU MS, preparation of the law and institutional solutions needs to be made more precise than it is today. This would help to eliminate all the mentioned weaknesses which recently were strongly visible in the practices of some old and younger democracies. This experience shows what needs to be changed and what direction these changes should take. Moreover all the MS should pay more attention to ICT, which would make ENP Partner States also more sensitive to it in all the discussed dimensions - internal communication within institutions and external communication on national and international level. The Partner countries from the EU and ENP should be more aware of the possibilities that arise from the twinning system and TAIEX.

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Chapter 2

Anna Visvizi

The political economy\(^1\) of ENP: mechanisms, tools and interests and their evolution: a critical evaluation\(^2\)

Voluminous literature on the ENP exists and a great variety of research-questions have been addressed in that debate thus highlighting the scope of challenges and the variability of contingencies that are built-in in this policy-framework of the EU. The Riga summit (21-22/05/2015) that aimed at instilling\(^3\) new dynamics in the Eastern dimension of the ENP has not brought any spectacular results except for easing the visa regime for some of the countries concerned. Moreover, as the sceptics emphasized the Riga summit may have provided another piece of evidence that there a deep cleavage runs across the EU member-states as


\(^2\) This research project has benefited from funding under the Polish National Science Centre (NCN) grant titled ‘European Neighbourhood Policy: (multi-level) governance, the reform process and the prospect of enhanced cooperation in the region’, OPUS/HS5, No. 2013/09/B/HS5/04534.

regards the EaP and its status in the EU policy-framework\(^4\). The Riga summit has thus reminded us that the fundamental weakness that underpins the ENP is that of a fragile consensus across the EU MS\(^5\) as to the relevance of the ENP and the overall objective of the EU’s engagement in its southern and eastern neighbourhood.

In fact, from its inception, the ENP, including both its Southern and Eastern dimension, has been marred by the question of its prospects and possible outcomes. The MS’ historically-determined political and economic interests and objectives have been the main reason behind the emergence of the eastern and the southern dimension of the ENP. Over the years the ENP has been subjected to considerable re-design suggesting that it has never been a well-designed policy-framework that would meet the interests and expectations of all parties involved, i.e. including both the EU MS and the EU’s partner countries. Successive waves of dramatic developments in the EU’s ‘near abroad’, beginning with the developments in Egypt in 2010/2011 through the following uprisings in the Southern Mediterranean to the tragic events in Ukraine, once again reminded us that the ENP needs a rethink. The literature abounds with arguments suggesting that the EU is responsible for the ENP underperformance locating the ENP’s weaknesses in it being too broad, designed in line with the logic one-size-fits-all etc. There are also arguments pointing to the EU partner countries as the culprit of slow implementation. The point is that the ENP remains a contested policy-framework, perceived as inefficient, with several commentators rather critical toward the EU’s role in it, with the reasons behind the ENP’s drawbacks frequently misunderstood. At the same time, the attainments attributable to the ENP remain under-discussed. The objective of this paper is to address this issue. By employing the political economy perspective to the ENP, the argument in this paper examines the instruments of the ENP implementation. Moreover, by directing the empirical search-light at the countries included in the EaP\(^6\) scrutinizes the ENP’s alleged underperformance. Overall, three major arguments are made. First, it is


argued that whereas the ENP’s objectives have been phrased in an overly-enthusiastic and overly-ambitious manner (and in fact this is what the literature tends to pick at), this unique, unprecedented policy-framework has succeeded in (i) bringing some of the EU neighbouring countries closer to the EU, (ii) offering an alternative to the political and economic orientation of countries previously members of the USSR, (iii) rebalancing the otherwise pervasive influence/dominance of Kremlin in some countries, and (iv) offering an alternative model of economic and political reform process. In this view, secondly, it is impossible to argue that the ENP is a failure. Rather it is necessary that to stress that its results are meant to be stretched in time because socio-political change needs time to sink in the fabric of a country/nation for it to be sustainable. Thirdly, the frequent comparisons between the ENP and eastern enlargement notwithstanding, it is argued that the mechanisms and ideational foundations of the ENP and eastern enlargement could not be more diverse. Therefore, attempts at comparing the ENP, and especially the EaP and eastern enlargement are unfounded and hence are bound to lead to wrong conclusions. Specifically, if eastern enlargement led to spectacular and fast results (measured by the degree of real convergence, democratization, Europeanization etc.), the ENP cannot generate this kind of attainments.

The argument is structured as follows. In the first section, a methodological note on the political economy perspective to the ENP is discussed. Then, the basic instruments of the EaP delivery are examined. In the next step, the nature of the Association Agreements is explored. It is followed by the examination of the logic behind the Deep and Comprehensive Free Trade Agreements (DCFTAs). In the following section, the mechanisms of the ENP’s delivery are discussed critically against the background of their efficiency.

1. On the political economy perspective to the ENP

In the discussion on the ENP three issues demand particular emphasis, i.e. (i) the goals and objectives underpinning the implementation of this dimension of the EU’s external policy, (ii) the instruments established to support the implementation of this policy-framework, and finally (iii) the curious web of interests and preferences that that the ENP seeks to reconcile, i.e. the interests of the EU, of the EU MS and those of the EU
partner-countries. Given the degree of change recorded in the EU and its environment as well as in the countries addressees of the ENP over the period 2004–2015, there is a need for these three dimensions of the ENP to be reconsidered. From that perspective then it is necessary to confront the twin question of (i) the lessons to be drawn from the ENP experience and (ii) ways of more effective delivery of the ENP in the years to come. The objective of this paper is to address these questions from the perspective of the political economy of the ENP, with a special focus on the Eastern dimension of the policy-framework. The political economy perspective suggests that it is possible to examine the ENP’s efficiency by establishing a nexus between the instruments of the ENP’s implementation and the broad results that they may have triggered. In specific, literature in the genre of political economy, also in connection to the ENP, suggests that progress (or the ENP’s achievements) can be measured by reference to (i) progress in democracy, (ii) degree of transfer of policies such as market liberalization, trade liberalization, opening of the economy, deepening of economic cooperation/integration (trade, investment, tourism), (iii) gains in administrative efficiency, the curtailment of corruption and (iv) region building. Each of these groups of factors has been framed by specific indexes and hence it is possible to identify quantitative descriptors of the progress attained.

2. From ENPI to ENI and supporting instruments

Over the period 2007–2013 the ENP was implemented by means of the European Neighbourhood Policy Instrument (ENPI). Overall, a total of EUR 11.2 bn has been allocated to the Southern and Eastern dimension of the ENP, with an amount of EUR 2.8 bn spent only on the EaP over the period 2009–2013. The ENPI was a financial instrument managed by the European Commission. It covered both expenditure for a support of multilateral initiatives and amounts allocated to individual countries under bilateral relations between the ENP partner countries and the

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8 Freedom House, Fraser Institute, Corruption Perceptions Index, Competitiveness Report (opening of the economy etc.).
European Union. Many programmes funded in the last years of the ENPI (2011–13) are still in the phase of their implementation and so will continue to be implemented over the next 3–4 years. In line with the new Multiannual Financial Perspective, the ENPI it was replaced by the European Neighbourhood Instrument (ENI). In 2014, EUR 1.6 billion were disbursed under the ENI. The funds available under the ENI for the period 2014-2020 amount to EUR 15.4 billion⁹. Similarly as in the case of the ENPI, the ENI supports multilateral and bilateral initiatives.

The intention is for the ENI to provide a predictable, long-term envelope to support the reform priorities agreed in each country. The functioning and general objectives of the ENI are laid down in the 2014 ENI Regulation. It includes, for example, differentiation and the incentive-based approach, dedicated funding for cross-border cooperation programmes and for Erasmus+, as well as engagement with civil society and local authorities. Key priorities and indicative financial allocations for country, regional and other multi-country cooperation programmes are set out in greater detail in multiannual programming documents, such as Single Support Frameworks and Multiannual Indicative Programmes. A first set of these documents was adopted in the course of 2014 to cover the first part of the ENI period. Decisions on the concrete allocation of funds to specific actions (programmes and projects) are taken annually, in line with the programming framework and within the ceilings set by the budgetary authority.

In the past the ENPI and now the ENI have been complemented by a range of a more specific programmes designed to address specific needs of the countries covered by the ENP and targeting specific objectives of that policy-framework. Countries where substantial democratic reforms are being introduced may also receive additional funding under an umbrella programme worth up to 10% of the value of the ENI. Substantial support for regional and cross-border initiatives is also provided through the ENI. Blending of EU funding with IFIs plays an increasing role, through the Neighbourhood Investment Facility (NIF). Other external assistance instruments with a worldwide coverage or a thematic focus – such as the Development Cooperation Instrument, the European Instrument for Democracy and Human Rights, and the Instrument contributing to Stability and Peace. The financial allocation of the Multiannual Indicative Programme 2014–17 for other multi-country pro-

⁹ In 2014, EUR 2.3 billion were committed under the ENI.
programmes open to all Neighbourhood countries ranges from a minimum of EUR 1.7 billion to a maximum of EUR 1.9 billion – of which EUR 777 million are earmarked for bilateral assistance under the ‘umbrella programme’. In 2014, EUR 161 million were committed as a minimum allocation (baseline) of the Neighbourhood Investment Facility (NIF), EUR 13 million for the targeted capacity building initiatives TAIEX (Technical Assistance and Information Exchange) and Sigma (Support for Improvement in Governance and Management); and EUR 102.9 million as a contribution to the external dimension of Erasmus+.

By providing grants either to reduce the cost or to mitigate the risks that investors would incur, the Neighbourhood Investment Facility (NIF) aims at mobilising finance that would otherwise not be affordable or available. According to its strategic orientations, the NIF pursues three objectives: (i) establish better, more sustainable energy and transport interconnections and promote energy efficiency, security and renewability; (ii) address climate change and other threats to the environment; (iii) promote smart, sustainable and inclusive growth, in particular by support to small and medium-sized enterprises. The baseline allocation (or minimum indicative budget) of the NIF is programmed as an ENI-wide measure. However, country and regional programmes can also use the blending capacity through the NIF governance mechanism. Consequently, in 2014, a total of EUR 369.4 million were committed under the ENI as contribution for operations under the NIF (EUR 104 million for Eastern Partnership countries and EUR 265 million for Southern Mediterranean countries). The NIF Board has approved 16 new projects (10 in Eastern Partnership countries and 6 in Southern Mediterranean countries) funded from the 2014 NIF budget; more projects are in the pipeline. Funding for civil society has also substantially increased. Moreover, a DCFTA Facility has been prepared in order to support the adaptation and reorientation of businesses, so as to increase the access to benefits foreseen by the agreements. With this facility, the EU aims to mobilise EUR 150 million of grants from 2015 to 2017 through the NIF to leverage up to EUR 1.5 billion of investment from IFIs in the three countries, i.e. Georgia, the Republic of Moldova and Ukraine.

The EU continued to support civil society through the Civil Society Facility (CSF) covering regional and national level with the aim to strengthen and promote the role of civil society in processes related to reform and democratic change. The current dynamic situation in the neighbourhood requires a flexible approach to planning and implementa-
tion and the EU has used all the flexibility available to it. The EU moved with unprecedented speed and fast tracked approval processes to meet crisis needs in Ukraine, combining major ENI support, Macro-Financial Assistance and technical support from the Ukraine Support Group. An EU Regional Trust Fund was created in December 2014 to provide a coherent and reinforced aid response to the Syrian crisis on a regional scale. The Trust Fund will focus on current priority needs and may also be adapted to reconstruction needs in a future post-conflict scenario. But the ENI is not suitable or sufficient for all needs, especially where a crisis response requires substantial additional funding at short notice. ENI funding is therefore complemented by support from other instruments, such as the Instrument Contributing to Stability and Peace (IcSP), EU humanitarian funding (ECHO) or the European Instrument for Democracy and Human Rights (EIDHR). Additional funds may need to be mobilised, through these or other instruments, as required by the evolving situation in the region – the responses in Syria and Ukraine are examples of this.10

3. The framework of the ENPI and ENI application

The Eastern dimension of the ENP offers a good insight into how the EU seeks to manage and develop its relations with countries de facto deprived of the EU membership perspective. That is, the EaP offers upgrade of relations with the EU, without however offering the prospect of the EU membership, by means of three instruments, including Association Agreements (AA), Agreements on a Deep and Comprehensive Free Trade Area (DCFTA), and Visa Facilitation and Readmission agreements.

Association Agreements constitute the EU’s main instrument to bring the countries in the Eastern Partnership closer to EU standards and norms. It comprises four general chapters: Common Foreign and Security Policy; Justice and Home Affairs; the Deep and Comprehensive Free Trade Area (DCFTA); and a fourth chapter covering a range of issues including the environment, science, transportation, and education. The difference between the association agreements Eastern Partnership countries are negotiating and others that the EU has struck with third countries is the DCFTA. In signing this, Eastern Partnership members will be committing themselves to adopting specific pieces of EU legisla-
tion in trade, consumer protection, and environmental regulation. Countries that sign a DCFTA must adopt some 350 EU laws within a ten-year timeframe. Signatories of a DCFTA will also have access to the EU’s 500 million consumers and a market with a combined economy of 12.9 trillion euros. By way of comparison, the rival Russian-led union Customs Union has just 170 million consumers and a combined economy of 1.4 trillion euros. The DCFTA Section of the Association Agreement contains 15 chapters and over 20 protocols, annexes, addendums and declarations. These Chapters concern: 1. National treatment and access to market of goods 2. Trade defence measures 3. Technical barriers to trade 4. Sanitary and phyto-sanitary measures 5. Customs issues and trade facilitation 6. Right of establishment, services, e-commerce 7. Current payments and capital movement 8. Public procurement.

The AA talks have been launched with all EaP countries, yet as practice suggests considerable variability as regards progress in negotiations has been observed. For instance, Moldova emerged as the star student and possibly the one clear-cut success story of the Eastern Partnership despite some bumps in the road due to the country’s political crisis earlier in the year. In June, Chisinau concluded negotiations on its Association Agreement with the EU, which will cement political ties with Brussels, as well as on the accompanying Deep and Comprehensive Free Trade Area (DCFTA). The deal is expected to be initialled in November at the Vilnius summit. During the 2015 Riga Summit Moldova secured an agreement on visa-free travel to the EU. Although suggestions are voiced that the ‘next logical step for Moldova would be for EU member states to recognize it as a potential candidate, a status similar to that of Bosnia-Herzegovina and Albania’, it is doubtful that Moldova will acquire the EU membership-candidate status in the future.

A contrasting example is that of Armenia. Although initially Armenia has been vitally interested in deepening its relations with the EU, emphasizing its pro-European orientation, recently it has become more than obvious that Armenia chose closer association with Russia. Specifically, Armenia, similarly as Azerbaijan, has not opened negotiations

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12 http://www.rferl.org/content/eu-eastern-partnership-checklist/25061049.html
regarding the AA and DCFTA. Instead, in 2014 it joined the Kremlin founded Customs Union and now the Eurasian Economic Community. Georgia represents a case for itself in that it is committed to deepening its relations with the EU and emphasizing its Euro-Atlantic orientation. Georgia has signed the DCFTA in July 2013\textsuperscript{15}.

The case of Ukraine deserves particular attention in that commentators have hailed the example of Ukraine as exemplary\textsuperscript{16}. “Applying the ENP to Ukraine raises some interesting political economy issues. What are the main interests at stake, on both the EU and the Ukrainian sides, and the main challenges in this integration process? Can the ENP be a credible alternative to full EU membership? (…) First, potential benefits from integration would be asymmetrically distributed, being more significant for Ukraine than for the EU; moreover, the main obstacles to integration would not be economic, but political. Second, the ENP lacks attractiveness in the long term because it would impose obligations analogous to those of EU membership on Ukraine, but without the corresponding benefits; thus the integration process is likely either to produce a more modest outcome, limited to the creation of an FTA, or to lead to EU accession\textsuperscript{17, 18}.

4. Implementation\textsuperscript{19}

The EaP been criticized for its one-size-fits-all approach to partner countries of disparate size and demographics. Ukraine, with a population of 45 million people, is larger than the other five partner countries combined. Additionally, experts say that partner countries cover too broad a geographical terrain to be united by common European aspirations. The twenty-eight-member EU registered a EUR 3.3 billion trade surplus for the first six months of 2013 with EaP countries. Its exports to the EaP increased from €11.9 billion in 2002 to a peak of EUR 9.5 billion in 2012. According to Eurostat, the biggest EU exporters to the region are Germany, Poland, and Italy, with Ukraine receiving almost

\begin{itemize}
\item \textsuperscript{15} Georgia http://europa.eu/rapid/press-release_IP-13-721_en.htm
\item \textsuperscript{16} http://www.case-research.eu/sites/default/files/publications/CNSA_2012_445.pdf
\item \textsuperscript{17} Marco Montanari (2007) \textit{Knocking On the EU's Door: The Political Economy of EU-Ukraine Relations}, JCER, Vol. 3, Issue 1, pp. 64–78.
\item \textsuperscript{18} Please, be reminded: this is work in progress.
\item \textsuperscript{19} ENP full progress report 25.03.2015.
\end{itemize}
half of all EU imports to EaP states. While a primary goal of the EaP was to encourage democratic governance in partner countries, its record of affecting political reforms has been mixed. Moldova, Georgia, and Armenia have all shown varying degrees of progress, with OSCE-approved elections in recent years. However, the 2011 sentencing of former Ukrainian prime-minister Yulia Tymoshenko and the authoritarian turn of former president Yanukovich highlighted the backsliding of a critical partner state. Azerbaijan and Belarus remain authoritarian, and they have shown scant interest in pursuing political reform. 20

At the same time 2014 saw some positive developments, with the signature of three Association Agreements with Georgia, the Republic of Moldova and Ukraine. This new generation of agreements includes provisions on a Deep and Comprehensive Free Trade Area (AAs/DCF-TAs), putting in place the most ambitious contractual relations so far established with neighbourhood partners. In addition, relations with Morocco and Tunisia were strengthened and continue to reflect the depth and breadth of reform efforts in these countries. The democratic transition in Tunisia has been particularly positive. On migration and mobility, the Republic of Moldova successfully implemented all the benchmarks set in its Visa Liberalisation Action Plan (VLAP), which allowed Moldovan citizens to enjoy visa-free travel to the Schengen countries as of spring 2014. Tunisia and Jordan also signed a Mobility Partnership with the EU in 2014. In 2014 the EU maintained a high level of engagement with partners, in which the instruments offered by the ENP played a central part. The new European Neighbourhood Instrument (ENI), adopted in 2014, provides EUR 15.4 billion for the period 2014-20. Financial assistance is more focused than before; civil society organisations (CSOs) and local authorities are better and more closely involved in preparing, implementing and monitoring EU support.

5. Interests and expectations in the ENP: the case of the EaP

Discussing the ENP from the political economy perspective, it is necessary to focus on the progress achieved by means of the application of the specific instruments at the ENP’s disposal. It is also necessary that the ENP’s

attainments be judged against the curious matrix of interests and expectations that the EU, its member-states and the partner countries attached to that policy-framework. The following paragraphs address this issue.

Dwelling on the expectations and interests of the EU partner countries it is important to stress that some of them aspired to EU membership (Georgia, Ukraine, Moldova), some of them wanted market access (Azerbaijan). Belarus remains the odd kid in the bunch with Lukashenko gradually acquiring a more assertive in relation to the RF position than ever. Armenia’s status remains uncertain in that it joined the Eurasian Economic Community in 2014 joining the league led by the RF and comprised of Kazachstan and Belarus. It seems therefore that the EaP as a unified comprehensive policy-framework does not offer a convenient and effective framework of shaping relations with countries de facto of a post-Soviet provenience. In this view, one could argue that the EaP is a reflection a misguided belief on the part of the EU that there is a single approach and one recipe for managing the post-Soviet space. Obviously there is no such a prescription. From the political economy perspective it does not constitute a tremendous problem in that the AAs and the DFTAs offer the opportunity to shape the EU-individual relations in line with the addressee’s aspirations. This puts into question however if the hub of the EaP is needed at all. This observation suggests as well that the EaP, similarly as the Southern dimension of the ENP, was grounded on a faulty assumption that the EU was in the position to trigger a region building process in its southern and eastern neighbourhood. This calls for continued theoretical and empirical intellectual engagement/effect. That said the question is what the common interests of the EU, its member-states and the partner countries are.

Research conducted on behalf of the EU institutions prior to the 2015 Riga Summit suggests that the EU and its partners have strongest common interest in the following areas:²¹

(i) “Promoting trade and inclusive and sustainable economic development and enhancing job opportunities are priorities for our Neighbours and are also in the interests of the EU itself, in areas ranging from traditional rural livelihoods to research and digital markets.
(ii) Both also have strong shared interests in improving connectivity, notably in the fields of sustainable transport and energy. There is also

²¹ Bear in mind that it is work in progress.
a shared interest in increasing energy security and efficiency, as well as energy safety.

(iii) There are currently a number of conflicts affecting the neighbourhood region. Stability is a prerequisite for working together on enhanced prosperity. The EU and its Member States need to do more together with our partners to address the security threats that arise from conflict situations, from organised crime and from terrorism, and to develop our ability to jointly manage crises and disasters.

(iv) Our partners face governance challenges. Ensuring rule of law, human rights and democracy is first and foremost key for their own citizens. By enhancing legal certainty, they also address issues that are important for domestic and foreign investors, such as fighting corruption and fraud and strengthening public finance management, including public internal control based on international standards.

(v) Migration and mobility is a key area of co-operation for the EU and our partners. Enhancing mobility, especially for education, scientific, cultural, training and professional purposes, has positive effects on economies and societies alike. Tackling people smuggling and illegal migration is a common challenge.

(vi) Other common challenges with impacts across borders are health security, threats to the environment and climate change.

(vii) Increasing engagement with young people, including through educational exchanges and other networks, can play a major role in developing a common vision for the future. The EU will continue to support increased opportunities for women.”

6. Conclusions

In the popular debate it is frequently argued that the EaP has fallen short on its promised. It is emphasized that while the ‘stated objectives of the EaP were to advance the “the political association and economic integration” of the EU with Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine’ it did not offer the EU membership prospect. Therefore, it is argued there was no particular incentive for the EU partner countries to get frantically enthusiastic about the EU’s initiative. It is also empha-

sized that the ENP sought to advance human rights and good-governance norms in the region of seventy-five million people through the creation of a free-trade zone that would give partner countries access to the EU’s five hundred million consumers. Instead, so the argument goes, the lack of the membership prospect acted as ‘limiting the incentives for partner countries to enact serious economic and political reforms’\(^\text{23}\). This line of argumentation, as this paper sought to highlight at once exaggerates the influence/change the EU can effect in the ENP partner countries, expecting the EU to assume the role of an all mighty agent of political, social, and economic change beyond its borders. This way of arguing downplays the responsibility and initiative of the EU partner-countries themselves. The interesting observation at this point is as well that the popular (even if in acclaimed media outlets) media do not recognize the substantial qualitative difference between eastern enlargement and the EaP as regards policy transfer and change altogether. This highlights that the nature of political and economic transformation and transition in the CEE remains misunderstood in that the role of the prospects of membership remains exaggerated. The point is that for the CEEs the prospect of eastern enlargement and the EU integration path in itself played the role of an anchor for the reform process that begun prior to the decision on eastern enlargement was taken. The case of the ENP is different.

Overall it has been argued that the EaP has generated some positive results in the EU’s partner countries, even if those results have been geographically unevenly distributed. It has been also argued that significant variability that could be observed as regards the ENP’s political objectives (including transformation of the political and economic system in the countries concerned) is to be related to factors beyond the EU’s control. That is, the objective of instilling better governance and improving the quality of democracy as well as of fostering market liberalization, were a function of the EU partner countries domestically-driven mobilization of resources. In other words, contrary to some expectations, and in contrast to the EU’s perceived experiences gained during the Eastern enlargement process, the EU has not assumed the position of the agent of change. This is in itself casts shadow on the argument of the EU’s transformative power, the EU as the agent of

\(^{23}\) [http://www.businessinsider.com/the-eu-russia-tug-of-war-is-based-on-these-6-countries-2015-5#ixzz3b2ZnJfXY](http://www.businessinsider.com/the-eu-russia-tug-of-war-is-based-on-these-6-countries-2015-5#ixzz3b2ZnJfXY)
democratic change, conditionality and Europeanization. In this view, the ENP serves as a good case study depicting the limits of concepts such as Europeanization, conditionality, and policy-transfer. As argued elsewhere, given the qualitative difference between the process of enlargement and ENP (objectives, prospects, interests, motivation), the ENP is about the attainment of milieu goals, hence it is imperative that a degree of symmetry be introduced in the otherwise asymmetrical nature of relations between the EU and its partner countries. This however requires a serious rethink of the very logic/rationale behind the ENP.

Against this conceptual backdrop, this paper offered an insight into the instruments of the ENP implementation in order to argue that the EU goal to establish a ring-of-friends on its shores was (a) grounded on a perception of the EU’s external context that is passé by now; (b) based on the assumption that the EU disposes of an unquestionable power of attraction and hence (c) that the addressees of the ENP will perceive it as a reward to engage in closer cooperation with the EU; (d) that no alternatives to the EU’s power of attraction were at hand. A brief analysis of the six countries included in the EaP proves that on all four accounts the EU was wrong. As the discussion in this paper suggests, progress in democratization has been very much the function of the domestic mobilization of the countries in question themselves. As regards transfer of economic policies and eventually market liberalization, the degree of success has been the function of these countries’ membership in the WTO and the power of attraction exerted by the Russian Federation through the prospect of membership in the Eurasian Economic Union24 (currently comprised of the RF, Belarus, Kazachstan, Armenia).

Chapter 3

Anna Visvizi

Is there an EU style of governance? A critical discussion on the possibility to devise a typology and draw observations on the EU’s style of governance and its implications

Introduction

The objective of this paper is to review the European Neighbourhood Policy (ENP) and its selected aspects in view of exploring one of the most pertinent questions of the EU’s external relations, i.e. that of the EU effectively addressing the challenges and opportunities that unfold beyond its Eastern and Southern frontiers. Indeed, the frequently dramatic developments in the EU’s southern and eastern neighbourhoods, followed by people’s suffering, economic downturn and seemingly vicious circle of instability, raise the question of the value added of the EU’s style of governance specific to the politics of the ENP implementation. To address this issue, a brief insight into the nature of the ENP is offered, including the inter-locking external and domestic dynamics that shape its

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evolution and efficiency. Then, the structure of collaboration upon which the ENP is funded is drawn and its critical junctures discussed. By reference to values and principles underpinning the politics of the ENP implementation, it is argued that the soft power of influence coupled with incentives aimed at trade liberalization and economic reforms remain the most effective tools my means of which the EU can exert influence on its neighbours. The argument is structured as follows. First, an overview of the ENP and its evolution is offered. Then, an insight into the governance issue is offered. In the following move, the key instruments of the ENPs and their respective addressees is drawn. Discussion follows.

1. ENP: origins, evolution, inter-locking dynamics

The origins of the ENP go back to the 2003 “Wider Europe – Neighbourhood” Communication of the European Commission. Against the background of its provisions the ENP was launched in 2003 and developed throughout 2004. The ENP was thought of as a continuation of the EU’s policies aimed at managing its relations with countries located beyond its southern border, i.e. the twelve Southern Mediterranean Countries, including Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Syria, Palestine3, Tunisia. Notably, the EU’s relations with those countries were based on the launched in 1995 Barcelona Process that along with the Euro-Mediterranean Partnership that followed aimed at the creation of a free trade area in the basin of the Mediterranean by 2010. The launch of the European Neighbourhood Policy in 2004 added an important extension to the framework of the EU’s external relations in that six countries located beyond the EU’s eastern border were added in it as well, including, Armenia, Azerbaijan, Georgia, Moldova, Ukraine and initially also Belarus. The objective of the ENP was to achieve the closest possible political association and the greatest possible degree of economic integration between the EU and the ENP partners and thereby develop mutually beneficial relationship with countries located in the EU’s imminent neighbourhood.

Undoubtedly, when developing its strategic approach to its closest neighbours, the EU drew from experiences it gained while developing its

3 As the European Commission stresses, “This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue”, see: https://eeas.europa.eu/headquarters/headquarters-homepage/330/european-neighbourhood-policy-enp_en
relations with former colonies, e.g. under the framework of initially success- censive Lome Conventions and later under the framework of the Cotonou Agreement. The necessity to launch the ENP became acute in the early 2000s due to progress attained in the process of enlarging the EU. The prospect of eight former communist countries becoming full-fledged members of the EU, meant that the EU’s eastern frontier would move eastward, thereby requiring that an approach to countries beyond that border was curved out. Simultaneously, the shifting emphasis that EU placed on its eastern neighbourhood, created incentives for some member- states, notably France and Spain, to rebalance the emerging status quo by stressing the salience of maintaining good relations with the SEM countries. In this way, the ENP on the one hand inherited ills and weaknesses of the frequently criticized EU’s approach to the SEM countries, while on the other hand, being forced into a state of permanent tension caused by competing claims of actors involved in either of its dimensions.

The ENP was subject to several revamps. It was reviewed in 2011, following the Arab uprisings. At that time, the ‘more for more’ principle was introduced. The idea behind that principle was that it was necessary to differentiate among the specific ENP partner-countries and reward specifically those of them that were the most committed to the defining objectives of the ENP. In other words, efforts of the most committed ENP partners were to be rewarded with additional financial and other support. In November 2015, following the European External Action Service (EEAS) attaining its full capacity, the ENP was reviewed again. At that time, the key point was to explore the possibility of making the ENP more efficient at the bilateral level of implementation by recognizing differentiated involvement of specific partner countries. An important factor that weighed in in that review process was the EU Global Security Strategy that the EEAS kept working on at the same time. The most important novelty that the EUGS introduces is the shift from ‘effective multilateralism’ to ‘principled pragmatism.’ That paradigmatic shift was mirrored in the outcomes of the review process. That is the 2017 report summarizing the 2015 review process advances a new approach to the ENP based on differentiation, joint ownership and flexibility.5


Indeed, a new approach to managing the EU’s relations with its neighbourhood was needed. Apart from the critical discussion on the ENP\(^6\), the external and internal pressures that the ENP was subjected to demanded that the logic underpinning it was rethought. Figure 1 offers a very useful overview of the variety of inter-locking dynamics that the ENP has been subjected to over time. Certainly, several of these pressured exacerbated significantly over the past years. It is difficult to gauge which of these pressures, i.e. domestic or external create the most adverse feedback effects. Suffice it to say, that these factors have had tremendous impact on the politics of the ENP implementation.\(^7\)

**Figure 1.** The ENP and its domestic and external contexts

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European Economic and Social Committee and the Committee of the Regions JOIN(2017) 18 final, Brussels, 18.5.2017.


The new approach to the ENP presented in May 2017 puts stress on the some of the most important aspects of the ENP implementation so far, e.g. differentiation and the more for more principle, while at the same time emphasizing new factors that from now on will define the ENP. These are increased flexibility in the use of EU funding. This will be possible thanks to the use of Trust Funds to allow a rapid delivery of financial assistance, through a greater use of blending and of improved joint programming with member states. Another important novelty presented in May 2017 is that of through enhanced coordination with international financial institutions and the creation of a new flexibility cushion to allow rapid response to crisis situations and changing circumstances. Overall, the new approach to the ENP puts emphasis on the need to support reforms in four priority areas: good governance, democracy, rule of law and human rights; economic development for stabilisation; security; migration and mobility. These objectives comply squarely with the adverse dynamics identified in Figure 1. It seems that rather than stressing economic integration, the European Commission recognizes that focused action aimed at addressing very specific challenges is the most effective way of shaping relations in the EU’s neighbourhood. Certainly, this approach is embedded in the provisions of the EUGS. Interestingly, the report summarizing the review of the ENP advanced the need to strengthen the ENP’s focus on security issues. This is compliant with the EU Security Sector Reform programmes designed to work on counter-terrorism and preventing violent extremism, strengthening efforts on disrupting organised crime and on enhanced cooperation in the area of Common Security and Defence Policy (CSDP).

2. The framework of collaboration: the critical junctures

The ENP is founded on two pillars/dimensions, while at the same time fostering bilateral and regional cooperation. It consists of two dimensions, i.e. the one addressed to countries located in the EU’s eastern neighbourhood (Eastern Partnership/EaP) and those located in the Southern Mediterranean (Union for the Mediterranean/UfM). The ENP is implemented through the following tools: Partnership and Co-

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operation Agreements (PCAs) and Association Agreements (AAs). The Association Agendas and Partnership Priorities build on existing legal agreements with the EU – Partnership & Cooperation Agreements (PCAs) or Association Agreements (AAs). The Association Councils remain the highest formal bodies established under the Association Agreements to supervise the implementation of the Agreements and to discuss issues of mutual interest.9

Countries that have benefited from the ‘more for more’ principle and the resultant strategy, have been offered the opportunity of: market access through economic integration and development (by means of DCFTAs); mobility of people (mobility partnerships); a greater share of the EU financial support. The financial instruments by means of which the ENP is implemented have evolved over the years. In order to avoid the emergence of the hub-and-spoke effect, from its onset, the ENP promoted two modes of collaboration, on the one hand, advancing bilateral EU-individual partner country cooperation and, on the other hand, regional cooperation, within a region.

Over the period 2007 and 2013, the ENP was financed by the European Neighbourhood and Partnership Instrument (ENPI). ENPI had a financial envelope of EUR 11 181 million10, which constituted an increase in the ENP financing of about 2 700 million as compared to the period 2000–2006.11 The ENPI was addressed to all ENP partner-countries, i.e. to countries beyond the EU’s southern and eastern frontiers as well as to Russia.12 The need to improve the efficiency of that instrument, led to the launch of the European Neighbourhood Instrument (ENI) for the period 2015–2020. The financial envelope of ENI for 2014–2020 has been agreed at the level of EUR 15 432.634 million13.

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12 Stryjek, Visvizi, op. cit.
In addition to that, the Commission has decided to set up specific pro-
grammes both for the Eastern (EAPIC) and Southern (SPRING) neigh-
bours that will allocate extra financial support only to those neighbours
taking clear and concrete steps on political reforms. Apart from provid-
ing grants, the EU is also aiming to leverage substantial additional
funding through cooperation with International Financial Institutions
by means of investment subsidies from the Neighbourhood Investment
Facility. Technical assistance instruments are available to help implement
Association Agendas and Partnership Priorities.¹⁴

Regarding the institutional set-up of the ENP. Following the estab-
lishment of the EEAS, the ENP draws heavily from their resources. In
its work, the EEAS supports the High Representative of the Union for
Foreign Affairs and Security Policy and Vice-President of the European
Commission and the Commissioner dealing with European Neigh-
bourhood Policy and Enlargement Negotiations. Overall, the ENP addresses
sixteen countries of diversified social, political and economic profiles.
To boost the efficiency of the ENP, especially regarding transparency,
accountability, democracy, Civil Society Facility was created in Septem-
ber 2011. Its objective is to strengthen the capacity of civil society to
promote and monitor reforms, and increase public accountability.

A key dimension of the ENP framework is formed by values and
principles that the EU seeks to advance in its neighbourhood. Apart
from the key values such as respect for the basic principles of dignity
and equality, human rights, and social and economic justice. It is neces-
sary to highlight also the operational/strategic principles that define the
politics of the ENP implementation. Specifically, the key four domains
of the ENP include good governance, democracy, rule of law and human
rights; economic development for stabilisation; security and; migration
and mobility. Accordingly, following the 2015 review, the key principles
underpinning the ENP are differentiation amongst partner countries,
flexibility, joint ownership, greater involvement of the EU Member
States, and shared responsibility. Due to the ‘more for more’ principles
a gradual evolution of the ENP has taken place in the ENP framework
over the years. As a result, several ENP partner countries have been of-
fered greater access to the EU’s market and regulatory framework, stan-
dards and internal agencies and programmes.

¹⁴ https://eeas.europa.eu/headquarters/headquarters-homepage/330/european-
neighbourhood-policy-enp_en
Differentiated partnerships and the tailor-made approach are the hallmarks of the revised ENP. Country-by-country developments are addressed in factual country-specific reports which are released by European External Action Service and the European Commission ahead of the Association Council meetings or other similar high-level events and replace the previous ENP annual package, which used to be released for all partners at the same time, once a year.

3. Governance

Governance “denotes the structures and processes which enable a set of public and private actors to coordinate their independent needs and interests through the making and implementation of binding policy decisions in the absence of a central political authority.” In this view, “governance involves setting goals and making decisions for an entire collectivity”, including also “individuals or groups who have not explicitly agreed to them.” Arguably, rather than replacing the existing forms of managing politics, ‘governance’ in fact complements them whenever the established mechanisms of policy-making prove insufficient and novel approaches to problems and challenges at hand are required.

What deserves particular emphasis in the above definition is that it captures the multifaceted nature of ‘governance’, including all aspects of the regulatory process and the variety of actors that either more, or less explicitly are involved in it. Above all, however, this definition directs our attention to ‘knowledge’, its ‘availability’ and its role in modern regulatory processes. In reference to governance, knowledge thus becomes the subtle mechanism that – while rarely explicitly referred to – conditions the variability of interactions among the diversity of actors involved in governance. Given that representation of knowledge is never...
neutral,\(^{18}\) in context of governance ‘knowledge’ acquires attributes of a soft mechanism, the uses of which are conditioned by the normative/ethical stances of the actors involved in the governance process. This renders governance a heavily normatively-loaded concept that offers, in a concealed manner, a pragmatic insight into the nature of the regulatory processes that go beyond the government and involve a great variety of other actors.

With reference to the ENP, the focus on governance in EU studies and the resulting ‘governance turn’ allowed for refocusing the debate from European integration to the study of governance in Europe.\(^{19}\) In this way, it was possible to treat the EU as an example of a ‘regulatory state’\(^{20}\) (or at least as an entity on the pathway to becoming one\(^{21}\)) and hence to bypass some of the contingencies embedded in the more traditional way of theorizing on the EU.\(^{22}\) The focus on the new (modes of) governance in the EU\(^{23}\) led to a conceptualization of the EU as “a unique system of

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\(^{18}\) In contrast to the idealistic depictions of the ‘knowledge society’ – where knowledge is the product of collective learning and social pluralism – a more pragmatic take on ‘knowledge’ embodies the recognition that access to knowledge, selection and representation of knowledge, and finally re-construction of knowledge are highly subjective processes. Furthermore, constructivism-informed research offers convincing accounts of how the instrumental use of certain depictions of reality serve very specific political purposes and thus influence the policy-making (regulatory) process, including at the EU level. As a reference I would single out: C. Hay and B. Rosamond, ‘Globalisation, European integration and the discursive construction of economic imperatives’, *Journal of European Public Policy*, Vol. 9(2)/2002, pp. 147–167.

\(^{19}\) B. Rosamond, *Theories of European Integration*, Macmillan 2000, p. 108.


\(^{21}\) B. Rosamond, *Theories of European Integration*, p. 108.

\(^{22}\) Notably, the value added of this view of the specificity of the EU and the regulatory process that constitutes it, is that it captures at once the great variety of actors involved in the making of the EU, the uniqueness of the EU, and the complex institutional setting that it embodies. At the same time, it allows for examining the EU as a part of the broader (political, economic, social) environment in which it is positioned. Distinctly, not only is the N=1 problem thus diplomatically bypassed, but also the dynamics inherent in the EU as a process is captured.

non-hierarchical, regulatory and deliberative governance ...". Since emphasis in the regulatory process in the EU has been placed on “guide-
lines, benchmarking, mutual learning and peer pressure” – the open method of coordination being the most notable depiction of this – the EU has been described in terms of a hybrid system of governance. The important twist at this point is that EU governance has also an external dimension and the ENP is the best exemplification thereof. The next section highlights what the specificity of that take to governance is.

4. Conclusions: the EU’s way of governing its neighbourhood

The ENP has always been subject to critique and contention. Nevertheless, is it also a witness of the EU’s evolution and the evolution of the EU’s thinking about how to effectively manage its external relations. The prevalent feature of the ENP is that it evolves as the domestic and external circumstances change. Although several revamps of the ENP have taken place, the ENP remains an instrument of soft power projection. To this end, the emphasis on values and principles reflecting the EU’s identity is fundamental. Nevertheless, it is also important to stress how in response to the challenges to the ENP implementation a considerable effort was undertaken by the EU to introduce new modes of its implementations. The principles introduced following the 2015 review including differentiation amongst partner countries, flexibility, joint ownership, greater involvement of the EU Member States, and shared responsibility, attest to that. Previously, the ‘more for more’ was the best example of how the EU seeks to capture opportunities and pre-empt risks in the process of the ENP implementation.

The launch of the EUGS caused a change in perspective through which the EU sees its neighbourhood. This provoked a qualitative shift.

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in the ENP’s objectives in that greater stress was placed on security, cooperation in fields related to security, as well as migration issues and cooperation. This notwithstanding, the ENP remains an instrument of soft power projection. By involving a variety of actors in a system of structured differentiated cooperation, the EU in fact extends its framework of governance beyond its borders. Through this hybrid, multilevel, based on values and principles framework of governance, the EU seeks to influence its external environment without necessarily projecting any claims over that neighbourhood. This soft power of influence that the ENP represents is coupled with incentives aimed at trade liberalization and economic reforms. As such it remains the most effective tools my means of which the EU can exert influence on its neighbours. There is only as much as it can do.

Bibliography


Chapter 4

Anna Visvizi

ENP as a mechanism of ‘soft export’ of influence? Testing the limits of Europeanization and ‘empowering’

Introduction

On the eve of the Riga ENP summit arguments calling for the ENP’s reset have become more pronounced, while the ENP as a political-framework subject to intense deliberation. Indeed, judging against the initial ambitious objectives of establishing a ring of friends on the EU’s frontiers, today, confronted with instability in the EU’s South and on its Eastern fringe concerns about the ENP’s efficiency are justifiable. The objective of this paper is to suggest that while a revamp of the ENP is required, particularly as regards the mechanisms of engagement, it is the rationale behind this policy-framework that needs to be revisited first. Accordingly, it is argued that it is reasonable to conceive of the ENP (i) as a follow-up of an implicit strategy of the EU to delineate its frontiers as a political and economic entity, (ii) as an attempt to navigate the EU’s strategic interests in an environment best described as ‘a global market place of political change’, where a great number of emerging regional powers competes for influence in effecting political change; (iii) as

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1 This research project has benefited from funding under the Polish National Science Centre (NCN) grant titled ‘European Neighbourhood Policy: (multi-level) governance, the reform process and the prospect of enhanced cooperation in the region’, OPUS/HS5, No. 2013/09/B/HS5/04534.

a policy-framework which implementation has been affected by the EU-specific challenges, most profoundly those related to the Eurozone crisis. Seen in this way, the ENP acquires attributes of a process and hence harsh criticisms towards the ENP become somewhat unfounded. Overall, it is argued that by conceiving of the ENP as a process that unfolds against the three described above trends, opens up the possibility of rethinking the appropriateness of the logic upon which the ENP has been built. Given the profound changes in the EU’s external environment the ENP has the potential to serve as a leverage to legitimize the EU’s involvement in its ever more crowded neighbourhood. In this view, the ENP-specific process of policy transfer and Europeanization, should be refocused towards ‘empowering’.

In order to substantiate the above claims, the argument in this paper is structured as follows. In the first section, the rationale and the basic goals of the ENP are discussed critically against the background of the overall goals and objectives of the EU’s external policy. In the next step, the major changes marking the evolution of the EU’s external environment are highlighted and growing complexity of the environment in which the EU seeks to effect change is exposed. In the fourth move, it is argued that for the ENP to strengthen its efficiency, a shift in the rationale behind the ENP should be contemplated and hence the ENP’s focus should turn to ‘empowering’ rather than on ‘Europeanization’ through conditionality, less democracy-oriented conditionality and more to market liberalization and good governance. Finally, it is suggested that although the ENP has never been a neutral EU’s game in the EU’s backyard, given the changed geopolitical dynamics in the EU’s eastern and southern neighbourhood, including the emancipation of several regional players, the ENP has acquired a very important geopolitical dimension. This adds to the demand and criticality of momentum behind the shift in the logic driving the implementation of the ENP.

1. Towards a conceptual redrawing of the EU

The European Neighbourhood Policy (ENP) as a policy-framework aims at instilling security, stability, justice, freedom and prosperity in the EU’s neighbourhood. In this way the ENP aims to foster sustainable and resilient economies and free and inclusive societies across the EU’s neighbourhood. As such the ENP targets a great variety of qualitatively
ENP as a mechanism of ‘soft export’ of influence? Testing the limits ...

... diversified goals ranging from democracy through domestic policy redesign to economic cooperation, i.e. cooperation in the fields of trade and economy is coupled with the aim of policy-transfer and norm-diffusion. In this view, the ENP is a policy of long-term engagement that essentially targets so-called milieu goals, i.e. goals that combine altruism with interest, yet often remain of a purely a normative nature, goals that are associated with the spread of democracy, respect for human rights, international law, economic development, environmental protection, etc. The implementation of milieu goals relies on political, diplomatic and economic means. Most importantly, the attainment of such goals is considered helpful in securing a beneficial state of international order.

From its inception the ENP has attracted considerable attention in the academic and political debate treated by many as an attempt of some of the EU member-states to maintain or extend its spheres of influence by novel means or somewhat overly enthusiastically to further the EU’s claims to normative power. Furthermore, as the ENP was established in 2004, which coincided with Eastern Enlargement of the EU, it has been quite common in the literature to interpret the ENP as a form of substitute to EU membership for the countries concerned. Since over the years more targeted geographical focus and differentiation proved necessary to harness the variety of actors, goals and instruments framed by the ENP, numerous assessments of the ENP have not shied away from touting it an ‘ineffective policy, which is poorly geared towards achieving its milieu goals’. In this view, the ENP was pronounced a policy-failure rather than anything else. Indeed, over the past decade the ENP has given several reasons for disillusionment. Today, perhaps more acutely than ever, the ENP revives the argument of the missing capabilities-expectations gap as the EU’s southern flank is torn by insurgencies, while the developments in Ukraine cast shadow on the EU’s capability and commitment to use peaceful means to defend/stand for basic values such as inviolability of national borders, territorial integrity, respect for human rights, and in essence effective multilateralism. Therefore, it

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seems justifiable to call the ENP a policy failure in that it did not succeed in creating a ring of friends in the EU’s near abroad. It may also be considered a case-study in a flawed soft-power regime; effectively, a slap for the normative power Europe (NPE) thesis (Manners, 2002). Overall, given the political instability in the EU’s neighbourhood, it seems that there is not a lot to celebrate with regard to the outcomes of this broad policy-framework.

From its onset the ENP, similarly as the Barcelona Process and the Partnership for the Mediterranean, reflected an attempt of bringing together political, social and economic goals and policy-objectives, designed to further stability, prosperity and respect for fundamental values in the EU’s imminent neighbourhood. Built on bilateral agreements between the EU and each of the 16 of the EU’s closest neighbours, conditioned by geographic proximity and the resulting plethora of historically determined particular and specific interests and preferences of the EU member-states and the beneficiaries, ENP is a particularly (political) emotion-laden policy-framework (Visvizi, 2002). Given its scope and breadth and especially the qualitative diversity of countries to which participation in the ENP was extended, the ENP turned into a hybrid form of cooperation, filled with variable regional and country-specific dynamics, local and regional conflicts, contradictory interests and preferences, and hence a policy-framework open to criticism and exposed to drawbacks.

By means of overcoming the tensions that those factors created, over the years three specific policy-dimensions have consolidated within the broader ENP framework. These include: Eastern Partnership (EaP) launched in 2009 and addressed to the EU’s eastern neighbours (hereafter Eastern Dimension); Union for the Mediterranean launched in 2008 and enriched by Partnership for Democracy and Shared Prosperity in 2011 addressed to countries of the Southern Mediterranean (referred hereafter as the Southern Dimension); and the Black Sea Synergy initiated in 2008 focusing explicitly on collaboration in the Black Sea basin area. The general provisions, rules and principles and logic behind the ENP are common to all beneficiaries, the three specific regional dimensions of this policy framework were meant to capture the diversity inherent in the large group of beneficiaries, avoid competition for resources and thus render ENP more efficient. Since its inception, the content of the ENP has also significantly increased. Neighbouring countries now have the prospect of Deep and Comprehensive Free Trade
Areas, as well as Mobility Partnerships or a visa free regime. Some of these have already been concluded. In addition, the ENP was reviewed in 2011 to design a response to the events of the Arab Spring, during which popular uprisings and ensuing consequences led to some progress, such as in Tunisia, but also to wider instability and political tension. The transitions have been very different in nature depending on the country.\(^6\)

Regardless of the revamp of the ENP in 2011, the developments in the EU’s neighbourhood and the apparent inability of the EU secure peace and stability on its outer fringes set fertile ground for a renewed debate on reforming the ENP. The EU and its member-states are acutely aware of the fact that since its inception the ENP could have produced better results and that a rest is needed\(^7\). A review of the ENP was undertaken with the changes scheduled to be agreed in Riga in 2015. At the moment the Council affirms the four priority areas that the current ENP review seeks to address: ‘Differentiation’; ‘Focus’ (including inter alia security, economic development and trade, good governance, migration, energy and human rights); ‘Flexibility’; and ‘Ownership and Visibility’. These areas reflect the key principles that should help define a more streamlined ENP, in line with the EU’s political priorities and interests.\(^8\)

Against this backdrop the ENP observers bear serious expectations with regard to the forthcoming ENP Riga Summit and see in it an opportunity to revisit the precepts of the ENP and improve its delivery. While the objective of this paper is to insert itself in this context it seeks to do so by making the following case. It is suggested that a change in the rationale behind the ENP might in itself be helpful in revisiting the expectations attached to the ENP and eventually ease the strains imposed on its delivery. The point here is that although the implementation record of the ENP falls short of the expectations commonly held vis-à-vis this policy-strategy, given the limitations and constraints of the EU regulatory process the ENP represents in fact the best policy option that the EU and its member-states could have devised.


\(^8\) Council 2015.
at a given point in time. Now, the question is though what kind of conceptual redrawing would make the ENP better suited to the needs and challenges specific to the EU’s external environment. It is suggested that the existing debate on the ENP fails to recognize that while undeniably the ENP has been designed to effect change in the EU’s neighbourhood, it also constitutes a follow-up of an implicit strategy of the EU to re-constitute itself. That is, following the major overhaul and re-definition of who the EU is and what it is for (Visvizi, 2010), the ENP represents a continuation of the process of defining the EU and delimiting its frontiers as a political and economic entity. In other words, by delineating its imminent neighbourhood, by setting the specific principles of cooperation and by attempting the transfer specific set of policies to its partners, the EU effectively defines not only its frontiers as a political and economic entity but also its key features as an actor in international affairs. From this perspective, the ENP acquires attributes a two-way process relying not only on the mechanisms of norms and policy diffusion and financial transfers, but also on learning, self-reflection and policy upload.

2. The ENP’s rationale revisited

There is a tendency in the voluminous literature on the ENP to consider this policy framework through the lens of two questions, i.e. (i) which extent the ENP has been successful in emulating the EU’s norms and values and hence effecting policy change via the instrument of conditionality in the beneficiaries countries, and (ii) to which extent the implicit in the ENP copying of the enlargement logic has been well/ill-suited for the needs of the countries included in the ENP framework. In this context, the ENP tends to be conceptualized as a mechanism of the EU exerting its soft influence on its neighbours via conditionality, policy-transfer, and eventually Europeanization. Given the fact that the ENP has fallen short of instilling political stability and prosperity in the EU’s neighbourhood, there has been justifiable critique in the literature that too much of the ENP’s emphasis was paid to soft influence, at the expense of hard instruments of influence, such as financial and other material transfers. In fact, over the years there has been an implicit understanding in the academic debate that the ENP could have led to more encouraging results. In this way, covertly the debate pointed to the
growing capabilities-expectations gap as regards the EU's record of implementation of the ENP's goals and objectives and hence the EU's efficiency in effecting the desired change in its neighbourhood. Prior to engaging in a discussion on why the EU has no choice but to engage in the soft export of influence via norms, principles and ideas (this is the purpose of the following section) rather than rely on other (possibly hard) policy measures, this section will dwell on the origins of the rationale behind the ENP.

The rationale behind the ENP is complex and should not be limited to the prospect of membership or its absence. The ENP's rationale draws on two broad sources. On the one hand, the ENP's roots can be traced to the Barcelona Process and preceding frameworks of cooperation that the EC successfully implemented since the mid-70s. In this view, the ENP represents a novel take on the classic rationale of employing trade policy (and to lesser extent a form of conditionality) to maintain and/or extend its (or its member-states') spheres of influence abroad. On the other hand, the ENP – being the outcome of regulatory processes of a revamped European Union on the eve of the big bang enlargement – has been heavily influenced by the specific conceptualization of the EU's external environment that dominated the EU-level discourses in the late 90s and 2000s. At that time, the EU's perception of the external environment was shaped by the discourse of globalization and the social, political and security-related challenges attributed to globalization. The validity of the above argument finds its confirmation in the 2003 Security Strategy of the European Union that defined the scope and objectives of the EU's external policy, ENP included. In this view, the rationale behind the ENP turns out to be very complex, by no means reducible to the alternative to EU membership argument.

Specifically, the 2003 European Security Strategy aims at the attainment of three correlated goals: addressing global challenges and the increasingly complex threats to security; particular focus on building

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regional security in the EU’s neighbourhood: the Balkans, the Caucasus, the Mediterranean region, and the Middle East; over the longer term, involvement in the construction of a rules-based, multilateral world order in which international law, peace, and security are ensured by strong regional and global institutions. In 2008 the ESS was reviewed and its relevance reconfirmed. Voices can be heard today suggesting the need of a revamp of the EU’s security strategy. Given the broad scope and the level of generalization of the ESS, it seems that the document succeeds in defending itself today. The content of the European Neighbourhood Policy (COM 2004b), as well as its earlier framing the Wider Europe Neighbourhood (COM 2003), is compliant with the European Security Strategy (EC 2003b) in that it is recognized that the EU’s neighbourhood may become potential source of social, economic and political instability, which in extreme cases might lead to armed conflicts. The EU, therefore, as the narrative continues, faces the demand to establish a ‘ring of friends’ around its frontiers, i.e. to create a zone of peace, stability and prosperity on its external borders. In its context, the ENP acquires the attributes of a policy-framework of strategic importance with regard to contributing to peace, stability and prosperity in the EU’s environment, whereby these milieu goals are to be attained by means of politics, diplomacy and economic cooperation.

Implicitly, the ENP is based on the recognition and perhaps more importantly a policy-practice, embodied by relevant discourses, of styling the EU as a normative actor in international affairs. The EU, the ‘normative power’, is committed, frequently to no avail, to the promotion of specific values and principles, and thus views the rule of law, democracy, and good governance as preconditions of sustained growth and development. The normative power Europe (NPE) debate has captured significant attention of the academic community. At the core of this debate stands the claim that due to the specific combination of its historical context, hybrid polity and the process of political-legal constitution, the EU’s distinctive international identity is defined by universal norms and principles, such as peace and liberty; democracy, the rule of law, human rights and fundamental freedoms; the aspiration to social solidarity; the desire for anti-discrimination; sustainable development; and good governance.11 “Accepting [this] normative basis

of the EU does not make it a normative power”. It is the reinforcement and expansion of these norms that legitimizes claims to the EU’s uniqueness and its specific norm-driven role vis-à-vis its member states and third countries.\textsuperscript{12} Indeed, the empirical focus of the NPE debate is directed at the broadly conceived ethical aspects of EU external, rather than domestic, relations.\textsuperscript{13} That said it is important to highlight the principle of \textit{effective multilateralism upon which the EU’s external relations are built}. This principle forms an important part of the EU’s external identity and as such feeds into the rationale behind the ENP. Originating in the recognition that today’s challenges are global in scope and concerted actions are needed in order to effectively tackle them\textsuperscript{14}, effective multilateralism is defined through the principles of solidarity, responsibility, respect for international law, dialogue and cooperation among multiplicity of actors.\textsuperscript{15} As it emphasizes the centrality of international institutions in global governance, effective multilateralism serves as an expression of the liberal belief in the effectiveness of international institutions and of the faith in human progress. This normative basis is consequential for the way the EU shapes its relations with its member states and with third countries as it informs the political objectives, political alternatives and actual policy choices that the EU makes, and gives some sort of political justification to the use of conditionality vis-à-vis third countries. This in turn helps to legitimize claims to normative power.\textsuperscript{16} Of course, the question remains of “how

\textsuperscript{12} Ibid., p. 244.


\textsuperscript{15} ‘Effective multilateralism’ appears in several documents that address the challenge of globalization, e.g. Commission of the European Communities, Communication from the Commission: ‘The Social Dimension of Globalisation – the EU’s policy contribution on extending the benefits to all’, COM (2004) 383 final, Brussels 18 May 2004.

\textsuperscript{16} Of course, the question remains of “how can we know that the EU’s pursuit of norms is legitimate?”, and “how do we know that ‘normative power’ Europe is not simply an expression of Eurocentric imperialism?” It is argued in the literature that
can we know that the EU’s pursuit of norms is legitimate?”, and “how do we know that ‘normative power’ Europe is not simply an expression of Eurocentric imperialism?”

3. Conceptualizing change in the EU’s external environment

The ENP was born out of the very specific conceptualization of the EU’s external environment that prevailed in the EU level discourses in the 2000s. At that time the EU’s external environment was defined by the concept of globalization and the belief of the spread of democracy worldwide as well as – especially following 9/11 – the notion of threat related to terrorism and rouge states. It is important to delve into those conceptualizations in order to understand the background against which the ENP has developed. Since the end of the cold war, on the one hand, globalization has been presented in terms of economic challenges and opportunities generated within the external context of the EU, and, on the other hand, there has been a growing recognition (expressed in the narrative about the EU’s external context) that the processes associated with globalization may themselves stand as sources of threats to security that defy traditional way of military response by the nation-states. The following excerpt from the 2003 Security Strategy highlights it plainly:

“In contrast to the massive visible threat in the Cold War, none of the new threats is purely military; nor can any be tackled by purely military means. Each requires a mixture of instruments. Proliferation may be contained through export controls and attacked through political, economic and other pressures while the underlying political causes are also tackled. Dealing with terrorism may require a mixture of intelligence, police, judicial, military and other means. In failed states,

“[The] problem … is that when the object of study is seen as embodying the core values one believes in, it is difficult to achieve any critical distance.”(Hyde-Price, 2006: 218).

Clearly, the NPE argument renders it necessary to distinguish between universal norms and the means of their diffusion, because the alarming question is whether these means are equally universal as the norms that they seek to diffuse.


military instruments may be needed to restore order, humanitarian means to tackle the immediate crisis. Regional conflicts need political solutions but military assets and effective policing may be needed in the post conflict phase. Economic instruments serve reconstruction, and civilian crisis management helps restore civil government. The European Union is particularly well equipped to respond to such multi-faceted situations”.

The most important observation here is that in the narrative advanced by the Commission and other key European actors a clear linkage between globalization and the new threats to security has been established. This was made evident in the following documents: the European Security Strategy, European Neighbourhood Policy, the Hague Programme\(^\text{19}\). Interestingly, similar tendency became evident in earlier documents that mirrored the evolution of the European foreign and security/defence policy, e.g. WEU Ministerial Declaration of 19 June 1992 signed in Petersberg. In line with the narrative, the new threats to security were diverse and complex enough to demand joint European response. These threats were identified as “terrorism committed to maximum violence, the availability of weapons of mass destruction, organised crime, the weakening of the state system and the privatization of force”\(^\text{20}\). They also require the development of novel defence strategies allowing the EU to effectively deal with the threats to security. The 2003 Security Strategy, the ENP and The Hague Programme restate that while globalization may be fashioned in terms of economic opportunities it should also be associated with new threats to security. Generally, the specific conceptualization of the EU’s external context highlighting the distinctiveness of the ‘near abroad’ has promoted the idea of the necessity of coordinating relevant policies at the EU-level, preferably in the framework of the European Security and Defence Policy (ESDP). It has also socialized with the idea of the European external frontier that defines the borders of the European space, the borders of an entity.

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\(^\text{19}\) The Hague Programme, COM (2005)184 final, adopted on May 10 2005, aims at the promotion of the following priorities: Fundamental Rights and Citizenship; the Fight against terrorism; Migration management; Internal borders, external borders; A common asylum area; Integration: the positive impact of migration on our society and economy; Privacy and security in sharing information; the Fight against organized crime; Civil and criminal justice: an effective European area of justice for all; Freedom, Security and Justice: sharing responsibility and solidarity.

An important aspect of the debate on the EU’s external environment and threats to security has been contained in the debate on energy security. Initially triggered by the distortions in the natural gas delivery from Russia (see the Russia-Ukraine gas crisis, January 2006 and its follow-ups), and reinforced by the swinging oil-prices (and coupled with the uncertain political situation in Iran and Iraq), the question of energetic security occupies important position in the narrative about the EU’s external context. For instance, in his speech to the European Parliament revolving around the question of the EU’s response to globalization, Jack Straw, the UK foreign minister, emphasized the necessity of finding an answer to the question of ‘how [to] handle soaring global energy demand while supply remains tight?’ He argued: “We need to diversify our sources of energy and approach our current major energy suppliers in a more coherent manner; but we also need to pursue energy efficiency and clean technologies and develop a genuinely open energy market”.

It should be also noted that whereas globalization may have served as the broader context against which threats to security have unfolded, it was also emphasized that many of the security, economic and social challenges in the EU’s neighbourhood have been linked directly to low levels of regional integration. In this view the EU’s attempts at igniting regional integration in the EU’s “near abroad” acquired a perfect legitimating. Regional cooperation, it was argued, was essential for tackling complex challenges such as irregular migration, terrorism and arms trafficking, or cross-border pollution. All these challenges required coordinated response. Strengthening of regional cooperation in the region has thus been firmly embedded in the ENP’s agenda, including the Eastern Partnership (EaP), the Partnership for Democracy and Shared Prosperity as well as in the Union for the Mediterranean (UfM).

Over a decade since the ENP’s inception, the discourse on globalization faded, yet the threats to security have intensified. “In the East, growing

\[21\) In an interesting manner, this question blends into the debate on the EU’s ‘near-abroad’, and, in the context of Turkey’s accession into the EU, directs attention to questions of geopolitics. In other words, as a consequence of the possible future accession of Turkey into the EU, the EU’s external border will be moved towards Iran; see also relevant argument in Chapter 4.


\[23\) ENP full progress report.
challenges to a number of Eastern Partnership countries, from the crisis in Georgia in 2008 to the on-going conflict in Ukraine, have been caused by an increasingly assertive Russian foreign policy, which has also resulted in exacerbating divisions between Russia and the EU. In the South, Syria has been plagued by civil war since 2011 which has had a serious impact on its neighbours. Libya is currently a country in conflict. Over the past three years, Egypt has also undergone complex political change. Despite considerable efforts, the Middle East Peace Process has stalled and there have been several outbreaks of hostilities, including in 2014 in Gaza. These events have served to increase the challenges faced by both the EU and its partners, aggravating economic and social pressures, irregular migration and refugee flows, security threats and leading to diverging aspirations.”

Overall, the EU’s neighbourhood is less stable than ever, whereas the EU’s near abroad is further exposed to destabilizing tendencies from farther away. The EU turns in this way into a mythical island of welfare, prosperity and stability, hence attracting uncontrollable migration from the broadly perceived South.

That said, it needs to be stressed that the overall structure of actors and processes that shape the EU’s neighbourhood has undergone dramatic change over the past decade. As regards the Southern Mediterranean, the EU’s engagement with the region was in essence a function of the US non-engagement with specific countries of the region. And so whereas the Middle East ‘peace process’ was dominated by the US, the Mashreq and Maghreb engros were left to the EU and those of its member-states that had historically established interests with countries in the area. Today, the chess board is populated by new actors and a new balance of power is unwinding at the EU’s Southern frontiers. Syria has been grabbed in-between Russia, China and the US. Turkey seeks to get involved as well. Iran is still out of the turmoil only by virtue of a fragile balance of power between the same actors. Libya is in a state of disarray with the ISIS’s claims over significant parts of its territory gaining on strengths. The same applies to Iraq. Israel is increasingly assertive leaving the Palestinian Authority to the mercy of fate, whereas the power of Hamas is undermined by the ISIS. In the meantime, China increases its presence in Maghreb.

As regards the EU’s eastern frontier, the West has been caught in a dramatic inability to address Putin’s regime and its overt violation of the founding principles of international democratic order. Essentially, it is becoming increasingly clear that a great variety of actors raises valid claims to be involved in processes that shape the socio-political and economic landscape in the EU’s neighbourhood. In fact, it has been argued recently that “Western democratic powers are no longer the dominant external shapers of political transitions around the world. A new global marketplace of political change now exists, in which varied arrays of states, including numerous non-democracies and non-Western democracies are influencing transitional trajectories”\(^{25}\). This major change requires a serious rethink of the EU’s ways of engagement in its neighbourhood. It turns out that the ENP needs to be enriched with new dimensions, new tools, and new mechanisms so that the variety of actors and challenges that their involvement implies can be harnesses. While this requires that the EU’s claims to effective multilateralism become more salient than ever, it also means that the EU needs to find an attractive way of furthering the values of freedom and liberty, good governance, respect for human rights and dignity. The following section by shedding light on the nature of conditionality, Europeanization and empowering suggests a way of navigating this increasingly challenging conundrum.

4. From conditionality, policy-transfer and Europeanization to ‘empowering’ and effective multilateralism

The objective of this section is to explain that given the profound evolution of the EU’s external environment it is necessary that the overall logic behind the EU’s engagement with countries in its neighbourhood be rethought. In the previous section a case was made that the time is ripe for the EU’s insistence on effective multilateralism to be tested. Given the increasing complexity of the matrix of actors and processes involved in the political transitions across the EU’s East and South neighbourhood, it is imperative that the logic/rationale behind the ENP

be rethought and therefore the instruments of the ENP’s implementation re-designed. To this end the discussion points to the current practice of conditionality employed as one of the key instruments driving the implementation of the ENP, links it to Europeanization and against this background suggests that ‘empowering’ as a concept underlying the deployment of a variety of tools and instruments offers greater opportunities and more flexibility as to how to approach the complex challenges in the EU’s neighbourhood, how to engage the beneficiaries themselves and how to balance, on the one hand, the attainment of the EU’s milieu goals and, on the other hand, the goals and objectives that ‘the rest’ of actors seeks to attain in the EU’s neighbourhood.

The principle of conditionality, and effectively a policy tool that has played a profound role in the process of Eastern Enlargement of the EU, makes the provision of the EU’s technical and financial assistance to third countries dependent upon them fulfilling specific criteria reflecting the European code of values, norms and principles. Conditionality should be associated with the attempt of effecting “a policy change by influencing the cost-benefit calculations of domestic actors … [and by combining it] with processes of learning and socialization through which domestic actors adopt shared belief systems”\textsuperscript{27}. The endorsement of conditionality as a policy-tool was possible only because of the EU’s power of attraction which provided the EU “with potentially enormous leverage to demand that countries not yet in the membership queue undertake the necessary reforms in order to meet the conditions”\textsuperscript{28}. There is a certain degree of flexibility built-in in the conditionality principle and policy-mechanisms, in that on the one hand it is derived from (customary) regulations in existence, and adjusts to customary regulations developed ad hoc\textsuperscript{29}. “To secure … compliance, EU demands must be as clear and as formal as possible. The clarity of demands is especially important in the ENP


because there is no formal benchmark for demands, in contrast to Accession Europeanization, which is based on the *acquis communautaire*.”\(^{30}\)

The EU’s strategy of providing assistance subject to the fulfilment of specific conditions/criteria, has been broadly discussed in the literature on the ENP. In fact, it was emphasized that conditionality is the basic feature that defines the “bilateral approach of the EU’s strategy of Neighbourhood Europeanization”\(^{31}\). Originally employed in context of the domestic policy-process and policy-diffusion in the EU\(^{32}\), over the years Europeanization has been deliberately employed to refer to the process of policy-transfer and socialization beyond the EU’s borders. Bulmer and Radaelli (2004) suggest that “Europeanization consists of processes of a) construction, b) diffusion and c) institutionalisation of formal and informal rules, procedures, policy paradigms, styles, ‘ways of doing things’ and shared beliefs and norms which are first defined and consolidated in the EU policy process and then incorporated in the logic of domestic (national and subnational) discourse, political structures and public policies”\(^{33}\). “Europeanization is not simply about formal policy rules but about less tangible aspects, such as beliefs and values. The concept of Europeanization is about the impact of European policy within member states. It thus entails two steps: adoption at EU level and then incorporation at the domestic level. The former step alone is only part of the story. That is why Europeanization and EU policy-making are distinct from each other conceptually”\(^{34}\).

In context of the ENP, Europeanization is doomed less efficient in that the rewards attached to the fulfilment of specific conditions are smaller than in the case of acquiring EU membership. In this view, unlike


\(^{32}\) Ladrech, 1994, op. cit.


\(^{34}\) Ibid.
‘Accession Europeanization’, ‘Neighbourhood Europeanization’ relies much more on norm-based socialization, i.e. diffusion of norms and values that takes a less-structured form than institutionalization, and hence the EU’s role may be limited. The value added of the concept of Europeanization for the study of the ENP is that it allows us to identify the nuanced process of norm-diffusion, and possibly identify the norms themselves. The limitation of the deployment of the concept of Europeanization in context of the ENP is that it overemphasizes the influence of the EU and reduces the likely influence of other actors. If ‘Europeanization’ is a component of norm diffusion, is it a policy-tool in its own right? a mechanism of effecting change perhaps? But how does it account of the ENP’s beneficiaries’ response to that norm diffusion?

As a way of bypassing the above conundrum the concept of ‘empowering’ will be employed. Empowering “involves a variety of practices and power resources, such as the transfer of knowledge and expertise, the provision of enhanced development chances and/or trade opportunities and the transfer of material resources. Moreover, empowering others does not happen for merely altruistic reasons. Most often it empowers the providing as well as the receiving end.” Empowering corresponds with the day-to-day practice of the ENP-implementation, including the transfer/diffusion of both soft (ideas, norms, principles, values) and hard (material) resources. It also makes it clear that the transfer is all about milieu goals, whereby the benefits are mutual. In this view, ‘empowering’ remains a relatively neutral concept and indeed a mechanism of effecting a desire political and economic transition. It does not does not seem to have any specific normative component attached, except perhaps for the general association that it is something positive, albeit not altruistic. It may consist of both material and ideational components that are being transferred/diffused from the provider to the receiver. Cavatorta and Tonra identify two methods of norm diffusion, or to use their term, of ‘norm export’.

“The soft export is the capacity of the international actor to represent a different way of doing things that is then seen as so attractive that other actors choose to follow its lead and/or example. … A ‘hard’ export,

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35 Franke at al.
37 Scheipers & Sicurelli, op. cit., p. 610.
by contrast, is the [actor’s] capacity to engender normative change using traditional tools of international politics—from diplomacy through to the use, or threatened use, of force.”

Of course there is always the question to which extent the norms, principles, and possibly materials transfers, influence the addressee, i.e. whether they are internalized. Successful transfer of norms, principles, and material resources implies that they will inform the subsequent economic and political choices of the addressee, thus opening up the space for ‘empowering’. This question becomes especially contingent if the influence of other actors competing for effecting political and economic transition in the EU’s neighbourhood is considered. The explanatory value added of the concept of empowering is that, regardless of its apparent normative neutrality, it focuses on the beneficiary of the process. In this way, it opens up the possibility that the addressee of the ENP is simultaneously subjected to multiple sources of influence. And this the reality of the ENP, and for that matter of any policy-framework addressing an actor’s external environment. This is the reality of the ‘global marketplace of political change’.

That said, by equipping the rationale behind the ENP with the concept of ‘empowering’ rather than ‘Europeanization’, at the conceptual level it is possible to open up the ENP to the premise and promise of effective multilateralism.

5. By means of conclusion

Significant effort has been invested in opening dialogue with the ENP partner countries to review this policy-framework and identify areas of strategic importance to all parties concerned. The European Council upheld its commitment with regard to furthering the four guiding principles of the ENP, i.e. differentiation (recognition of different aspirations of the partner countries, i.e. some want closer cooperation some do not), focus (are the interests of the EU and each partner, and those areas of strongest common interest), flexibility (more flexible toolbox)

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39 Ibid.

and ownership & visibility. In the meantime, one of the most often repeated criticisms toward the ENP is a lacking sense of ownership with partners, across their societies, and the general public’s weak awareness of the policy’s aims and impact. In this paper a case was made that by rethinking the overall logic behind the ENP, and by shifting the ENP’s implicit emphasis from Europeanization to empowering, the new ENP may achieve that to the benefit of the EU and its partner countries. More research is needed in order to fully explore the conceptual and empirical value added of the strategic rethink of the ENP’s rationale suggested here.
Chapter 5

Katarzyna Żukrowska

Cohesion policy as a lab-rat for the ENP?

Cohesion policy can play an important role for the ENP Partners as well as for the EU MS, nevertheless it should be constructed in a different manner than the policy which was applied in case of the Southern EU MS as well as East Central European states. There is a need to change the applied methods of development for the consecutive time, adjusting it to the needs of countries who profit from the transfers as well as the financing possibilities of the EU budget.

1. Stages of evolution of the cohesion policy

Cohesion Policy is a synonym used for regional policy applied in the EU, which addresses such problems as development, wealth, elimination of disparities in development. Looking at the map of the current EU regions one can find three types of regions: (1) regions seen as less developed, with lower incomes, outdated branch structure of the economy, undeveloped infrastructure, lower education of citizens, etc. (2) transition regions, which are changing their economic structure, upgrading the infrastructure, improving administration, paying attention to education, etc. which is seen as a complex method of catching up; (3) more developed regions. The three groups of regions cooperate stimulating structural changes, enhancing competitiveness, accelerating growth and fuelling

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1 This research project has benefited from funding under the Polish National Science Centre (NCN) grant titled ‘European Neighborhood Policy: (multi-level) governance, the reform process and the prospect of enhanced cooperation in the region’, OPUIS/HS5, No. 2013/09/B/HS5/04534.
catching-up. At the start, it should be clearly stated that the less developed regions have big needs but at the same time this characteristic is followed by another one – limited possibilities to absorb inflowing streams of capital.

Relatively big share of the EU budget general is allocated to financing cohesion. Financing is only seen as part of the method applied in practice to change the less developed regions into more prosperous and developed ones. Within a catching-up strategy, great import is ascribed to policies which help to open-up the borders that divide markets and their economies into national entities, that are not only divided nationally but also within the nations. Looking at the development indicators within old member states of the EU, one can see that some of them, despite participation from the very beginning in the integration process, which started in 1957, are still eligible to obtaining cohesion funds from the budget. This means that such eligibility is in a way “cultivated”, being a source of additional flows of the capital to the region. We can list here in alphabetical order such EU MS as: Austria, Denmark, Finland, France, big parts of Germany (mainly Eastern), Greece, Ireland, Italy, Luxembourg, Netherlands, Spain, Sweden, UK. All the states which became MS as part of the 2004 enlargement, as well as those who followed that process, are eligible to apply for the cohesion funds. There is a complicated model which evaluates the eligibility to obtain financial sources from the Budget.

In general, there are 3 areas of cooperation in the group of the EU-MS. This includes cross-border activities, transnational cooperation and is followed by connections between the regions. Eligibility to use the funds is evaluated in a relatively complicated manner. Firstly, the per capita income is taken into account. It can’t exceed 70% of the average per capita income. Secondly, there are exceptions from that rule, which are connected with the density of inhabitants, as small population density changes the conditions of access to the funds. The same can be said about mountain territories or poor quality soils, etc. Thirdly, location in a region which is a bordering territory is being taken into account. Borders were always perceived as peripheral, so they were given additional points in competition for the financial support coming from the budget2.

The classification used currently, which defined conditions of eligibility to apply for and use the available financial sources, was worked out

in stages. The budget is guided by several simple rules which help to construct it in such a way that it is always balanced (no deficit occurs). This construction eliminates one of the biggest problems at the national level, where balancing the budget seems to be a rarely achievable goal. The effect of balancing in the EU budget general is achieved through five simple features: unity, universality, balance, specification and year scaling of budget operations. Unity means that all the revenues and expenditures should be put into the budget general, which is prepared as a single document. This increases transparency and helps to eliminate situations which were not anticipated. Universality means that specific revenues should not be linked with specific expenditures. Balance of the budget means that revenues should not be lower than the expenditures planned for the specific year. This means that drawing credits to finance the expenditures is not acceptable. Specification means that each item which is planned to be financed has its clearly defined goal. The amount planned for certain activity has to be also clearly stated. All expenditures are grouped in specific areas. All revenues and expenditures are given in yearly terms and the Multiannual Financial Framework (MFF), forming frames for the whole period covered in the MFF, which in turn forms ceilings not to be exceeded. Increases of expenditures (their rates of growth) are often conditioned by increases of revenues (rates of growth of the economy). Nevertheless, there is always specific proportion kept between the two dynamics, the dynamic of expenditures is always behind the dynamic of revenues. Another simple finding after studying the EU budget is that financial obligations of the states to finance the EU budget by specific sources are higher than the approved expenditures. Moreover, in most cases states are not able to use all the sources which are eligible for them in the current year or even wider in running the MFF. Such a solution also leaves a margin that can be used during periods of slow-down of the rates of growth. It also can be interpreted that the EU budget has higher reserves than the reserves observed in the budget. All presented findings result from a study of the budget in the period of last financial crisis 2008+3. Some experts were concerned about the impact of slow-down of the economies of the MS and its impact on the revenues to the budget4.


4 The J. Delors Reforms conducted in 1993–1999 seem to be working until now. This is so despite several new ideas presented on the conference organized in 2008 by
The current EU budget needs deep structural reforms. They will be easier to introduce with a looming perspective of the lack of changes leading to high obligations to the states which are in greater need and less developed. This was true for the situation when 2004+ enlargement was planned. One can also think about specific changes today, as it would be easy to form a strong impression that the EU budget is not a budget for the 21st century. First signals that the budget needs to change were given by the discussion of two budgets in 2011, when it became clear that EMU states spend more money than they pay to the budget, which was creating transfers from non-EMU to EMU states. The pending Brexit provides a strong stimulus to change the budget structure as well as conditions under which states can use the transferred money. Despite all external actions, the EU share of allocation for EU as global actor in 2006 was below 5.0% (4.9%), while the EU administration costs are 6.3%. CAP expenditures were nearly 50.0% of the total expenses of the EU. In new MFF the structure of expenditures has changed. For EU as a global partner the allocation share shrank to 0.07%, the share of administration went down to 5.97%, also CAP expenditures were diminished as a share in total budgetary spending. The scale of the changes of allocations for CAP is difficult to calculate as they were hidden within expenditures on natural resources (42.77%) and growth (49.55%). From the current perspective, one can observe that expenditures allocated for growth did not bring spectacular contribution in this area since the new MFF started in 2014. Growth in the USA is higher than in the EU. Competitiveness improved in comparison with years 2014–2015 and was stable during 2015–2016. Moreover, some European economies have slipped down in the ranking of competitive economies, while others moved to a higher position.

Allocations should be concentrated on R&D, education in all its levels, health, all types of innovations. They should not be used in supporting neither the status quo of each economy, such as its branch structure, employment structure, nor structure of the national expenditures in national budgets. Analysis of the world trend observed in

Chancellor Dalia Grybauskaite, the former Commissionaire responsible for Financial Programming and the Budget in 20014–2009, during which possibilities of finding new resources were studied.


productivity indicates that slowing down structural change in the highly-developed economies decreases the productivity rates, which, in the medium run, means that low productivity is accompanied by higher education and higher costs of labor-force. All this in turn has strong impact on competitiveness. At this stage, it is not falling dramatically but it can be expected to happen soon.

From the very beginning of the 1970s, after the 1973 oil crisis, the OECD states took efforts to stimulate the economy, which has increased budgetary expenditures and created budget deficits, stimulating inflation. That process was stopped by Milton Friedman’s policy of “difficult money”, reductions of deficits, restructuring of the expenditures, followed by lowering tax burdens. Repentance came with the wave of monetarists philosophy applied in different economies with use of different arguments. In Europe, it was a plan to introduce common currency – the euro and the launch of EMU, which was carried out with use of the convergence criteria. All economists started to use the evaluation methods imposed by convergence criteria to measure the health of macroeconomic indicators. Measures were the same while methods to meet the requirements were different. To make the long story short it should be said that the whole “liberal” philosophy constructed upon two pillars of monetary belt tightening and free trade was stopped by the 2008+ crisis, when the USA started to “pump” money into its economy. Most of the financial support was offered in form of credits which means that the loans have to be returned. In other words, the main source of financing gets the money back. Stumuli in the USA worked in a different way than in remaining economies. So much so that economists became deeply convinced that the USA printed money in order to save their economy. Recently one can observe a trend of returning to nationalism and protection and departure from integration in a number of states. It is, however, easy to determine whether such declarations reflect real intentions of politicians or are promises designed for garnering voter support and don’t have anything to do with real intentions.

Analysis of data concerning international economy has led me to an opinion that there is no alternative to liberalization as it is a tool which helps to upgrade structure of the economies of developed states, while

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at the same time supports changes in other economies which are at various stages of development. On the one hand, one can observe the movement of production factors such as labor-force to economies which represent highest levels of development, on the other hand, movement of capital to economies which have rich supplies of the labor-force but are not sufficiently supplied with capital and technologies. This creates several interdependent ties, enforcing cooperation among states which are at different stages of development. On the one hand, we observe a pushing effect, on the other hand, a pulling effect.

The EU budget and its allocations were going through a process of deep evolution, which can be divided into nine following phases:

- First, early years of financing of the activities of the European Community in years 1958–1970;
- Second, when own financial sources were introduced, which are applied until today. This phase covered years 1971–1975;
- Third, the European Parliament gains decisive role in shaping the EU budget, 1976–1982;
- Fourth, overcoming all conflicts, arising in the process of shaping of the budget, 1983–1987;
- Fifth, the first financial perspective, with deep reduction of the CAP expenditures and increased allocations on cohesion, years 1988–1992;
- Sixth, second financial perspective, continuation of reallocations of expenditures towards more competitive and advanced allocations, years 1993–1999;
- Seventh, third financial perspective, in which the formerly started processes were continued, years 2000–2006;
- Eight, fourth financial perspective, allocations were linked with value of the exchange rates of national currencies of MS in case of non-EMU members, years 2007–2013;
- Ninth, first multiannual financial framework, the conditions and stages of creation and approval of the budget for the first time are reflected in the Treaty of Lisbon, years 2014–2020.

With time passing and pressure exerted on the value of the national exchange rate by the transferred allocations, limits were introduced on the size of transfers from the budget. The first limits were introduced

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for Greece, Portugal and Spain at the level of 4% of the GNP of each state (1996). In case of East Central European states the limits were diversified and depended on the size of the economy, measured by its GDP. The highest limits were introduced for Bulgaria, Romania and Latvia – 4.0%, the lowest for Cyprus (3.0%), Malta (3.3%) and Czech Republic (3.4%)\(^9\).

All this indicates that limits should be also considered in the case of the ENP-Partners. The fact that the lower the per capita income the longer it takes for a country to converge needs to be taken into account. The lower the GDP, the lower the absolute transfers. At the same time the share of transfers in the GDP should not exceed the ceiling of 4% of the GDP. In general, the transfers from the EU budget should be addressing the most important macro stabilisation, infrastructure and administration issues, preparing the whole economy to attract the FDI flows. The model of aid in preparing for FDI transfer follows the guidelines given by the transformation of OEEC into OECD. The first organization was established to coordinate the transfers within the Marshall Plan from the US to the European states in order to help them rebuild and recover after the WWII, preparing those economies for integration. OECD, which has replaced the OEEC is an international think-tank, established to liberalise relations between states, stimulating their growth. Membership in the OECD is conditioned by full liberalisation of capital flows (short-, medium-, long-term)\(^10\).

OECD was established in 1961. Until 2017 it grew to include 35 member states. Secretariat of the OECD is located in Paris, it has a budget of €370 mln. The goals of OECD currently cover: (1) restoration of confidence and institutions, which organize and coordinate the work of the markets; (2) help in returning to healthy public finances, enabling sustainable growth; (3) supply and stimulate matching the demand and supply for new sources of growth, which is done through innovations, ICT, green growth, development of emerging markets, catching up economies, developing economies; (4) creating conditions in which people of all ages can develop skills to work with high productivity, and are satisfied with the jobs that will be created in the future\(^11\).


\(^10\) http://www.oecd.org/about/ (accessed 2.03.2016).

\(^11\) Ibidem.
2. Cohesion policy for Eastern and Southern dimension of the ENP Partners

Both Eastern and Southern partners cooperating with the EU within the ENP have to do their homework, including the process of state building, preparing for joining the mainstream of the world economy, establishing closer ties between the two dimensions – Eastern and Southern and, finally, attracting new partners to cooperate in an institutionalized manner. The assumption here is that regions representing various levels of development, and hence differentiated economic structures, which means different needs and different abilities to meet those needs – institutionally can form structures which are mutually comprehensive and interdependent.

2.1. Needs

Needs of the ENP partner economies are big and they concern nearly all activities. What should be seen as a starting point? Most of the ENP Partner states are in the second phase of development which is driven by efficiency, some less developed economies are in transition phase from factor driven to efficiency driven one. This shows what has to be done in the economies in question to push them into higher stage of development. Algeria and Moldova represent the transition stage from factor driven towards efficiency driven phase of development. Egypt, Georgia, Jordan, Morocco, Tunisia and Ukraine are in the efficiency driven phase of development.

Table 1. Subindex weights and income thresholds for stages of development

<table>
<thead>
<tr>
<th>Stage of development</th>
<th>Stage 1 Factor driven</th>
<th>Transition from stage 1 to stage 2</th>
<th>Stage 2 Efficiency driven</th>
<th>Transition from stage 2 to stage 3</th>
<th>Stage 3 Innovation driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP per capita (US$) threshold</td>
<td>&lt;2,000</td>
<td>2,000–2,999</td>
<td>3,000–8,999</td>
<td>9,000–17,000</td>
<td>&gt;17,000</td>
</tr>
<tr>
<td>Weight for basic requirements</td>
<td>60%</td>
<td>40–60%</td>
<td>40%</td>
<td>20–40%</td>
<td>20%</td>
</tr>
<tr>
<td>Weight for efficiency enhancers</td>
<td>35%</td>
<td>35–50%</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Weight for innovation and sophistication factors</td>
<td>5%</td>
<td>5–10%</td>
<td>10%</td>
<td>10–30%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Table 2. Pillars of growth and their components

<table>
<thead>
<tr>
<th>First pillar: institutions 25%</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Institutions</td>
<td>Private institutions</td>
</tr>
<tr>
<td>Property rights</td>
<td>Ethics and Corruption</td>
</tr>
<tr>
<td>Property rights</td>
<td>Diversion of Public funds</td>
</tr>
<tr>
<td>Intellectual property protection</td>
<td>Public trust in politicians</td>
</tr>
<tr>
<td>Irregular payments and bribes</td>
<td>Efficiency of legal framework in settling disputes</td>
</tr>
<tr>
<td></td>
<td>Efficiency of legal in challenging regulations</td>
</tr>
<tr>
<td></td>
<td>Transparency of government policymaking</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Second pillar: infrastructure 25%</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity and telephony infrastructure</td>
<td>Transport infrastructure</td>
</tr>
<tr>
<td>Quality of electricity supply</td>
<td>Mobile telephone subscriptions</td>
</tr>
<tr>
<td></td>
<td>Overall infrastructure</td>
</tr>
</tbody>
</table>

| Third pillar: macroeconomic environment 25% |
| Government budget balance | Gross national savings | Inflation | Government debt | Country credit rating |
### Fourth pillar: health and primary education 25%

<table>
<thead>
<tr>
<th>Health</th>
<th>Primary education</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business impact of malaria</td>
<td><strong>Infant mortality</strong></td>
</tr>
<tr>
<td>Malaria incidence</td>
<td>Tuberculosis incidence</td>
</tr>
</tbody>
</table>

### Fifth pillar: higher education and training 17%

<table>
<thead>
<tr>
<th>Quality of education</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary education enrollment rate</td>
<td>Tertiary education enrollment rate</td>
<td>Quality of educational system</td>
</tr>
</tbody>
</table>

### Sixth pillar: goods market efficiency 17%

<table>
<thead>
<tr>
<th>Domestic competition</th>
<th>Foreign competition</th>
<th>Quality of demand conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intensity of local competition</td>
<td>Extent of market dominance</td>
<td>Effectiveness of anti-monopoly policy</td>
</tr>
<tr>
<td>Total tax rate</td>
<td>Number of procedures required to start a business</td>
<td>Time required to start a business</td>
</tr>
</tbody>
</table>

### Seventh pillar: labor market efficiency 17%

<table>
<thead>
<tr>
<th>Flexibility</th>
<th>Efficient use of talent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooperation in labor-employer relations</td>
<td>Flexibility of wage determination</td>
</tr>
<tr>
<td>Eight pillar: 17%</td>
<td>Nine pillar: technological readiness 17%</td>
</tr>
<tr>
<td>------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td><strong>Efficiency</strong></td>
<td><strong>Trustworthiness &amp; confidence</strong></td>
</tr>
<tr>
<td>Availability of financial services</td>
<td>Financing through local equity markets</td>
</tr>
<tr>
<td><strong>Ninth pillar:</strong> Technological adoption</td>
<td><strong>ICT use</strong></td>
</tr>
<tr>
<td>Availability of latest technologies</td>
<td>Firm-level technology absorption</td>
</tr>
<tr>
<td>Domestic market size index</td>
<td>Foreign market size index</td>
</tr>
<tr>
<td><strong>Eleventh pillar:</strong></td>
<td></td>
</tr>
<tr>
<td>Local supplier quantity</td>
<td>Local supplier quality</td>
</tr>
<tr>
<td><strong>Twelfth pillar:</strong></td>
<td></td>
</tr>
<tr>
<td>Capacity for innovation</td>
<td>Quality of scientific research institutions</td>
</tr>
</tbody>
</table>

Table 1 illustrates what matters in specific stages of development. We can say that ENP Partners are in such stages of development in which major role in growth and competition is played by price and availability of production factors. Price of labor force is relatively low, while quality of labor force measured by education is high, while measured by productivity and attitude to work is low.

The above table indicates what needs to be done as priority and what needs to be done as a continuation of the first moves, moving the economy towards higher stages of development and competitiveness.

2.2. Financing abilities

Usually economies that begin developing their economic potential have limited financial resources. In these circumstances, they need to rely on foreign capital to do that. In other words, lack of own savings can be remedied by savings from abroad. This does not mean that national capital is absent, it is present, but in limited quantities. Studies show that inflow of FDI is limited in most of the ENP partner economies. This is more visible in the Southern dimension of ENP, with the exception of Jordan, than in the Eastern dimension of the ENP.

Financial resources can be supplied in different forms, that include incurring credits from state and international organizations, including London and Paris Clubs; aid offered by IMF, World Bank, EU, individual states and banks. The second resource mentioned before can be ascribed to FDI. A market becomes attractive for inflow of FDI when macroeconomic indicators are predictable and show stability. In order to attract FDI, a market should also develop appropriate infrastructure, have reliable laws and institutions and effectively functioning administration on central and local levels.

Usually emerging markets do not exhibit elevated levels of savings, which means limited ability to finance the national capital. In some cases, though, such capital is available. This is so in the case of countries rich in raw materials, which were bringing fortunes to their owners and managers, where some people made money on trading, others in production or service sectors.

Well and successfully allocated cohesion funds can play an important role here. Cohesion funds can be multiplied through attracting the FDI or aid from economies characterized by high trade surpluses which means increasing foreign currency reserves. Here we can mention China,
South Korea, India, Australia or New Zealand. The list of the new partners should not be closed. Europe would play a role of a market which seeds the first plants to grow, which should be interpreted as preparation for investments. Each of the mentioned could be given access to the market in question for its exports of goods, services and capital by offering their own markets in reciprocity. All the mentioned markets are complementary. Institutionalizing access to those markets can bring a strong boost to the world economy. Access to currently open markets has come to its limits, which means that there is a strong need for new incentives. They can be seen as “old type” incentives in the background of declarations made by American President Donald Trump, who in his campaign has promised to: throw out such agreements as TPP or stop the negotiations of TTIP after 15 rounds concluded. He has also said that he will build a wall dividing the Mexican and the US markets. The two countries, as well as Canada, are united economically in a free trade agreement called NAFTA. At this stage, it is impossible to guess if the declarations given during the presidential campaign will be coined into an action plan. It is more probable that all liberalization talks will continue after a temporary break, which will give a new incentive to the negotiations. The opposite solution, returning to isolation, will have limited results measured with jobs created by returning businesses home and will be followed by increased prices of imported goods. This shows that there is no alternative to liberalization and it will include some new markets, located closer to sales markets.

Financing abilities are clear, which can be seen through the potential sales markets. Combining the different types of markets can bring a strong development incentive, resulting in a return wave of refugees as well as some capital. It should be stressed that this capital’s value is greater at home than in the country where the money were earned, e.g. a person can buy a flat which will multiply the owner’s assets. To have that effect, there is a strong need to return to the process of building market economies with predictable laws and properly functioning institutions. This brings us back to the ENP as well to the cohesion funds.

2.3. Which new elements could be helpful?

New elements of the strategy could include enhancement of the number of states included in the network. It seems to be advisable to incorporate
economies representing different levels of development and different structures of economies. Such approach, followed by a free trade agreement, stimulates mutual trade, deepens established institutional ties and creates markets which are mutually complementary and thus interdependent. Moreover, complementarity of markets, if it is regularly supplemented by markets representing lower level of development, pushes the economy towards structural changes. New, more advanced structures automatically lead from low value added production to higher value added production, which is a result of higher productivity in more advanced branches. Such process accelerates the process of national wealth building. This can be seen in Poland after 1989, China after economic changes in the 1990/2000, as well as Vietnam and most of the ENP states. What is important here? Determination is necessary in applying such changes. Any slowdown will halt some of the advantages of such process, increasing its costs, which are inevitable, however they can be higher or lower making such process more or less effective. Higher costs accompany the process of changes when it is applied as a gradual strategy as it prolongs the whole process. This diminishes the visual effects of the changes and can cause the decrease in social support for the politicians who introduce them. Determination to introduce changes can, in such specific situations, be perceived as simple obstinacy of people who try to create specific conditions in which they will be able to fulfil their particular interests. It is important for the process as the whole that the politicians are transparent and possess similar status as an average voter. The planned changes should be constructed in a way that makes the expected results to be achieved quickly in a way that is perceivable for an average citizen and can be evaluated as progressive and effective.

After the first changes program, a continuation should be planned detailing what should be done with respect to the list of areas and direction of their changes, which are given in table 2. The time between different stages of development should not be lost. The entire process should have a continuous character, as in less advanced phases there is need to introduce solutions which are making progress in the most advanced stages possible. In other words, the advanced phases are rooted

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in the less advanced ones. This is shown by specific presentation of the future leaders in the media in order to create their visage and garner the approval of the voters. This should be followed by presentation of their ideas, connections, abilities to communicate with the voters and with other politicians both in their own country and abroad. This shows that not only traditional skills such as knowledge of economy, political science or management matter, equally important are the abilities to present the program, explain it to voters and gain their approval of it. A future leader also needs the ability to prove that the chosen program brings results and the points in the program are successfully fulfilled. If the politicians are not able to explain what they plan and what they have achieved on their own, they need a middleman – who is able to do that job in their name – to communicate what has been done, what were the results and how it was related to the program that was proposed by the party and its leaders. This shows how important communication is, specifically in the case of various ministries explaining their proceedings. Administration structures should not only work efficiently but also be neutral towards political changes. Elections and political orientation of each voter is their private concern. Getting a post in the ministry – each minister should work as an administrator of a sector – his interests should be replaced in his policy by the interests of the state.

One could say that defining national interest was an easy task when transformation began but has grown difficult since. The policy of a country should be guided by keeping the macroeconomic indicators on the level when they meet the convergence criteria. As a result, wealth of the people should increase. All the while current policy needs to be explained, i.e. what is being done, why and with what results, what the plans are for future moves, what type of results they will bring, how these results can be evaluated and why they are important at this stage of development.

This shows also the need to change the curriculum in education – it needs to incorporate economy and entrepreneurship. Those who are outside the schooling system should have better access to economic information as well, enabling them to understand what is being done and why. This is a specific role of the educational system: of schools and universities. Also the result in this area should be supported by the

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media, providing information on economy and its international environment\textsuperscript{15}. This shows that the list of things to do is relatively complex and includes activities from different areas.

2.4. How to present goals?

The goals should be presented in a simple way, enabling people without specialized education to understand them. This means that goals, explanation of their importance and manner of reaching them should be explained by everyday press, weeklies, monthlies, radio and TV. Messages on that problem should be smuggled and explained in such forms of communication that are known to be targeting certain social groups\textsuperscript{16}. This means that some of the problems should be shown as part of the social affairs in films, soap-operas, most popular broadcasts and programs.

Experts should talk about economics, exports, imports, inflation and connections between different macro parameters in simple terms. This should be presented in an interesting way, so that the people look forward to the next meetings with experts. It would help the society make informed, conscious decisions as to the direction in which the economy is moving within a democratic system.

3. Cohesion without membership, preparing for membership or replacing membership?

Cohesion policy can be seen as a method leading towards membership in the reformed EU but it could also play a different role, seen as aid policy instead of membership. From the very beginning, when the EU applied aid policy it was not planned as an activity leading to specific solutions, such as membership. This was the case with PHARE or TACIS, it was also continued by the ENP financial instrument. Nevertheless, there was always a silent assumption that when PHARE lead to the


unprecedented enlargement of 2004, TACIS and ENP will end in a more or less analogous way. This was proven by negotiations with Ukraine. All the ENP states in Eastern dimension earlier have signed PCA (Partnership Cooperation Agreements). Those agreements were signed for 10 years, after that period it was planned to replace them with new agreements, that should be adjusted to the stage of system changes in the states in question. As far as Southern dimension is concerned, the policy was different. Relations were institutionalized earlier with the use of different types of aid agreements. This included consecutive Lomé Conventions\(^{17}\) (since 1975), Cotonou Agreement (after 2000) and Maghreb (5+5) security cooperation. There were also plans to create Union for Mediterranean as well as Union for East. None of the two plans were put into action.

Slowdown of reforms in both dimensions, Eastern and Southern and war in Ukraine caused by annexation of the Crimea by Russia, followed by war in Middle East, resulting in the coming of waves of refugees to Europe\(^{18}\), reaching 4.7 million in 2015 (at the same time 2.8 million left the EU\(^ {19}\)) – all have slowed down the process of closer integration of the EU with the two regions. In both cases the lack of the EU membership perspective discourages the reforms and limits the enthusiasm for closer cooperation with the EU organized within the frames designed by the EU.

The situation is being additionally complicated by the EU’s facing Brexit. As a result, five scenarios for the future of the EU were presented by the European leaders during the summit organized in Rome in celebration the 50\(^{th}\) anniversary of the Treaty of Rome. Brexit, on the one hand, shows all the advantages of integration and difficulties concerning withdrawal from the EU, while on the other hand will have strong impact on the future EU budget general, as well as negotiations of the consecutive Multiannual Financial Frames of the EU. Both events – Brexit as well as the final decision which scenario will be put in motion, will have

\(^{17}\) Problem was discussed in previously prepared papers. There were all together five Lomé conventions which were institutionalizing relations between the region with the European Community.


strong impact on the scope of cooperation with the states covered by the ENP.

The five scenarios cover:
- Carrying on the process of integration, following the path from the past;
- Limiting integration to single market, which means a withdrawal from a number of activities that followed that stage of integration;
- Multispeed Europe: where those who want more, do more, others stay at the stage where they are now;
- Doing less but more efficiently;
- Doing much more together.

The decision which of the scenarios will be put into motion is not yet made. It is clear that Europe is not able to move forward without accomplishing the stages of integration that should be completed some time ago and were not. Such is the case with EMU and the uncompleted process of creation of the internal market, especially in case of services. Time will tell which of the scenarios will be implemented in the EU. Whichever it may be, it will have impact on the abilities of the Union to engage resources in the ENP. This shows that the two matters are closely linked and at this point it is difficult to predict what the prospects are and what will be chosen as a leading solution for the EU.

Speaking about scenarios, it is worth to mentioned the three which were proposed for the Eastern dimension within the ENP policy. The scenarios can also be extended to the Southern dimension as well. They include:
- Shared home, bringing the Partners of the ENP closer to the EU;
- Broken home, which means some of the activities are continued while others will be eliminated from the list of things which can be done;
- Divided home, which means that all countries concentrate on their own problems, withdrawing from interests concerning other regions.

Hoping that the first from the three scenarios will be fulfilled, which at this point resembles reading a crystal ball, the paper has to come to an end and conclusions. These, however, strongly depend on which scenarios of the two sets will be implemented. The list of things which have

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to be done is long and conditions in which they can be implemented are also complicated.

**Conclusions**

Cohesion Policy is a synonym used for Regional policy applied in the EU, which addresses such problems as development, wealth, elimination of disparities in development. The whole experience of the EU concerning cohesion policy indicated that the capital inflows from abroad can do miracles in establishing infrastructure and keeping it in good shape. Nevertheless, the final results of using cohesion transfers strongly depend on the quantity of money engaged in the process, the ways it is used and conditions which characterize the climate for doing business in the economy. Very often good intentions were foiled by badly tailored or applied economic policies. This shows that limits should be applied for the transfers in the form of the GDP share so the currency value (exchange rate) is not undermined. The transfers should be used in accordance with the guidelines provided in Table 2 above. They should be adjusted periodically, with progress observed in the region. The transfers should be focused and not too high, preparing the background for FDI flows. FDI and the cohesion funds can both stimulate the economy and change the market preparing it to attract the FDI. All this can be done if a state and its government follow the policy lines formulated by the WTO, OECD and EU. This means that the transfers can be smaller, yet used better. Such conclusion can be drawn from the EU new Member States’ experience and characteristics.

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II. INCREASING THE EFFECTIVENESS OF THE ENP
Chapter 6

Anna Visvizi¹ & Tomasz Stępniewski²

External and internal liberalization that ENP promotes as transmission belts of democratization and political stability: success and failure revisited: the Eastern Dimension³

Introduction

The debate critical towards Eastern Partnership (EaP) notwithstanding, success and failure are relative concepts and to a great extent depend on the assessment criteria employed. This is the case of the EaP. The EaP is a complex policy framework that has been unfolding in a multifaceted and challenging external environment in times of seemingly epochal changes taking place in Central and Eastern Europe (CEE). It is important to remember that the efficacy of the EaP is influenced by external and domestic developments, whereby the positive and negative feedback effects thus generated have considerable impact on the politics

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² Tomasz Stępniewski, Associate Professor and chair-holder of Eastern Studies Chair at the Institute of Political Science and International Affairs, Faculty of Social Sciences, The John Paul II Catholic University of Lublin.
³ This research project has benefited from funding under the Polish National Science Centre (NCN) grant titled ‘European Neighbourhood Policy: (multi-level) governance, the reform process and the prospect of enhanced cooperation in the region’, OPUŚ/HS5, No. 2013/09/B/HS5/04534.
of the EaP implementation. In other words, the EaP is subjected to multiple level dynamics that induce specific, sometimes contradictory, vectors of power in the EaP ecosystem. Accordingly, depending on the assessment criterion employed, the specific issue examined and the time-frame employed, several stories about the EaP and its efficiency could be drawn. The discussion in this paper applies this interpretive lens to the study of the EaP to examine the link between the EaP, democratization and improvements in political stability in the EaP partner countries. Over the years, several assumptions of the ENP and specifically EaP have emerged in conjunction with their alleged objective ‘to democratize’. While the EU’s objective to strengthen in the ENP partner-countries certain values, norms and principles most closely associated with democracy and human rights has been apparent in the EaP rhetoric, it would be an overstatement to argue that the EU primarily seeks to promote democracy in the EaP partner-countries. The objective of this paper is to add relevance to this point.

The argument is structured as follows. In the first part, an insight into the emergence and evolution of the EaP is presented. In the next move, a case is made that the EaP, as any policy framework of this kind, is subjected to multi-tier dynamics. Accordingly, it is argued that it is close to impossible for the EaP to deliver on all divergent and tacit expectations of its stakeholders. Against this backdrop, a focused view of the EaP and its role in enhancing political stability and democracy in the EaP partner countries is presented. Conclusions follow. It is argued that there are limits as to what the EU can actually do and what it cannot do. Rather than lamenting on the EU level actors’ constrained stance towards the EaP partner countries, what really matters today is what lessons have we drawn from the past and how can we employ current developments to make the EaP more relevant and more efficient.

1. The emergence and the evolution of the EaP

EaP has been extended to such countries as Armenia, Azerbaijan, Georgia, Moldova, Ukraine and Belarus. It aims at boosting regional coop-

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5 The initiative was proposed by Donald Tusk, the then Polish Prime Minister as a common Polish–Swedish project during a meeting European Council on 19–20th June 2008.
eration between the EU member-states and countries located in the EU’s eastern neighbourhood. The prospect of including Belarus in this cooperation scheme was conditional upon Belarus introducing democratic changes. Importantly, Russian Federation (RF) was not invited to join the EaP. The emergence of the EaP is tightly bound with the evolution of the European Neighbourhood Policy (ENP).\(^6\) The ENP launched in 2004 was addressed to countries located in the EU’s imminent neighbourhood.\(^7\) Building on Partnership and Cooperation Agreements (PCAs)\(^8\) or Association Agreements (AA), the ENP excluded the prospect of membership in the EU.\(^9\) The objective of the ENP was defined in terms of support for cooperation between the EU and its neighbours in the fields of economy, politics, culture\(^10\) and security. The foundational value of that cooperation included: democracy, the rule of law, respect for human rights, the recognition of market economy. Indeed, through the ENP framework, the EU offered its partners enhanced economic cooperation, with the prospect for the creation of a future free-trade area, participation in certain areas of the internal market and economic relations based on the four freedoms which are provided within the EU and privileged political relations. These initial provisions of the ENP took the form of Deep and Comprehensive Free Trade Area (DFCTAs) some years later.

From its onset, the ENP was based on the principle of conditionality, a form of “carrot and stick” strategy of reward and punishment, aimed at boosting the efficacy of cooperation and attain the desired results. Variation in the EU’s approach to the EaP partners has been reflected in the EU’s strategies devised for each ENP partner countries. Over time consensus emerged that ‘more for more principle’ was needed so that

\(^6\) Cf. Visvizi, Stryjek, op. cit.
\(^7\) Moreover, due to the lack of a binding agreement (PCA) between the EU and Belarus, the country has not become a member of the ENP, though it was included in the initial EU proposal.
\(^8\) Since the early 1990s, the EC has based its relations with the countries of Eastern Europe on the Partnership and Cooperation Agreement instrument. PCAs have been signed with Armenia, Azerbaijan, Georgia, Kazakhstan, Kirgizstan, Moldova, Russia, Ukraine and Uzbekistan.
the more willing and more committed to cooperation the partner country was, the greater reward, in form of financial and technical assistance, that country would obtain. Consequently, a considerable degree of differentiation within the ENP has emerged over the years.

Table 1. Eastern European countries covered by the European Neighbourhood Policy

<table>
<thead>
<tr>
<th>State</th>
<th>Treaty basis</th>
<th>National report</th>
<th>Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Type</td>
<td>Adopted</td>
<td>Entered into force</td>
</tr>
<tr>
<td>Belarus</td>
<td>PCA</td>
<td>03/1995</td>
<td>–</td>
</tr>
</tbody>
</table>

Source: The Authors.

The ENP was implemented in line with provisions of so called Action Plans (APs) which the EU negotiated with individual ENP partner countries (see, Tables 1 & 2). Action Plans were based on PCAs. The objective of the latter was to align a given country closer with the EU standards; they were also aimed at fostering a better implementation of these provisions. Action Plans are political documents valid for three to five years and comprise a catalogue of priority issues to be solved in the period for which the plan has been developed. APs go beyond the traditional framework of cooperation and highlight gradual economic integration, and strengthen political cooperation. They offer a comprehensive framework of cooperation between the EU and individual countries, regarding the necessary reform plan.

Table 2. South Caucasus countries covered by the European Neighbourhood Policy

<table>
<thead>
<tr>
<th>Partner states</th>
<th>PCA’s enforcement date</th>
<th>National report on ENP</th>
<th>ENP Action Plans</th>
<th>Date of adoption by the EU</th>
<th>Date of adoption by the partner state</th>
</tr>
</thead>
</table>

Source: The Authors.

The question of the legal framework of EU relations with countries located beyond the EU’s eastern border has always attracted considerable attention; certainly, more than in the case of the Southern Dimension of the
ENP. This is because in the case of the ENP partner countries located eastward of the EU border, there has always been the tacit hope that membership in the EU will be eventually an option, at least for Ukraine and for instance Moldova. As a result, cooperation frameworks employed to advance cooperation with those countries, did not aim only at fulfilling the basic economic or political objective. Importantly, implicit in this framework has always been an attempt to create mechanisms facilitating the adjustment process and rapprochement process of these countries to the EU standards, be it the shared values, legal framework etc. In other words, over the years a very specific framework of cooperation emerged whereby economic cooperation and political dialogue were geared toward integrating the EaP countries with the EU but outside its jurisdiction and beyond the postulated PCA free trade framework (areas).

After several years of discussions on the new legal framework for EU’s relations with its neighbouring countries, a decision has been made to offer the countries of southern and eastern neighbourhood a new instrument of free trade agreements. It was a second generation DCFTA (Deep Comprehensive Free Trade Agreement) which was considered as an instrument facilitating the states from the Southern and Eastern dimension of the ENP to develop improved cooperation and integration of their economies with the EU single market. After many problems and difficulties, Georgia, Moldova and Ukraine desire to be integrated and implement AA/DCFTA (already signed). However, Armenia, Azerbaijan and Belarus do not do so. On the other hand, Armenia has been participating in DCFTA negotiations aiming for the agreement to be signed (in a form which would not collide with Armenia’s involvement since 2014 in the Eurasian Economic Union led by the Russian Federation). Should the negotiations be successful, the floor for further talks with Azerbaijan and Belarus would be opened11. Moreover, the public in EaP countries is also divided as far as the EU integration is concerned.

2. EaP: political stability and democracy

Several assumptions about the ENP and specifically of the EaP have emerged in conjunction with their alleged objective ‘to democratize’.

11 Interview 1, European External Action Service (EEAS), Headquarters Brussels; Russia Division, 15 September 2016.
While the EU’s objective to strengthen certain values, norms and principles most closely associated with democracy and human rights has been apparent in the EaP rhetoric, it would be an overstatement to argue that the EU primarily seeks to promote democracy in the EaP partner-countries. Three points are in order at this point.

First, the notion of democracy and democracy promotion through the EEC/EU external relations strategies was largely dropped in the early 80s only to give space to arguments and objectives related to ‘good governance’.12 ‘Good governance’, is a concept that dominated the economic development discourse employed by the World Bank and the Organization for Economic Co-operation and Development (OECD) throughout the 1980s. At that time, ‘good governance’ was synonymous with sound fiscal management and administrative efficiency, which were deemed preconditions to sustainable growth and development. Over time, particularly in the context of the EU’s external policies, especially toward the ACP and within the framework of the ENP, ‘good governance’ began to serve as a benchmark, primarily denoting democratic legitimacy, accountability, the rule of law, free market competition and the involvement of civil society actors in the policy-making process.

Given the role the EU and its member-states play in the field of development and growth, ‘good governance’ has acquired new overtones. Upheld by multiple actors involved in the shaping and implementation of policies aimed at spurring sustainable growth and development worldwide, ‘good governance’ has efficiently replaced the rather contentious discourse on promotion of democracy in the developing world that prevailed earlier. Today, ‘good governance’ has become a *sine qua non* defining the EU’s strategies towards its third partners. Moreover, given the variety of meanings that it signifies (as shown above), it serves at once as a normative benchmark conditioning the conduct of third actors while at the same time validating the EU’s claims to ‘normative power’. In this sense, although of a slightly different provenience, today ‘good governance’ not only feeds into the broader ‘governance’ debate explored here, but also highlights the normative overtones that it entails.13 Today, the concept of governance is in fashion again and its explanatory value

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13 Visvizi, 2015, op. cit.
is tested in a variety of fields and issue areas.\textsuperscript{14} The World Bank defines governance as consisting “of the traditions and institutions by which authority in a country is exercised. This includes the process by which governments are selected, monitored and replaced; the capacity of the government to effectively formulate and implement sound policies; and the respect of citizens and the state for the institutions that govern economic and social interactions among them.”\textsuperscript{15}

Second, democracy, understood as a factor underpinning the functioning of democratic institutions and the rule of law re-emerged in the EU-level narrative in the early 1990s when the prospect of eastern enlargement loomed on the horizon. The momentum emerged following the Dublin European Council of April 1990 and the tacit agreement that Germany would unify and the EU would expand to the East.

Third, EaP has never been explicit as to the prospect of the EaP partner-countries acquiring EU membership. Certainly, EaP has been criticized on account of its indeterminate stance towards the EaP partner-countries’ possible EU membership. This, may have been a reflection of wishful thinking of some of the EaP stakeholders and as such it confirms the argument of an enormous expectations-outcomes gap inherent in the ENP.\textsuperscript{16} The key point of that argument is that the ENP, and so EaP, have been criticized on account of matters to a large extent beyond the ENP’s political and institutional capacity. Taking these three points together it is possible to argue that while promoting stability in its neighbourhood, the EU has been primarily concerned with good governance, rather than with democracy. This in turn suggests that the EU sought to develop business partners for the future rather than to acquire new members of the EU family. To assess the EaPs’s capacity to do that, in this paper we decided to examine governance indicators rather than to dwell on democracy and freedom indices. Indeed, the value of the governance approach to the study of the ENP has been highlighted elsewhere.\textsuperscript{17} We argue that indicators such as control of corruption,

\begin{itemize}
\item \textsuperscript{14} Cf. Kłosińska-Dąbrowska, P. (ed.) Essays on Global Safety Governance: Challenges and Solutions, Warsaw: Centre for Europe, University of Warsaw, ASPRA-JR, 2015.
\item \textsuperscript{16} Stryjek, Visvizi, 2017, op. cit.
\item \textsuperscript{17} A. Visvizi, “Is there an EU style of governance? – A critical discussion on the possibility to devise a typology and draw observations on the EU’s style of governance and its implications”, 2017, forthcoming.
\end{itemize}
government effectiveness, political stability and absence of violence/terrorism, regulatory quality, rule of law, voice and accountability, offer a comprehensive insight into the state of affairs in selected countries. Simultaneously, their evolution over time, offers an insight into the effectiveness of the EU’s approach towards those countries. The following section details the methodological approach we employed and presents the data we aggregated.

3. The Worldwide Governance Indicators (WGI): the methodological framework

The Worldwide Governance Indicators (WGI) is a project run by the World Bank. Its objective has been to report on aggregate and individual governance indicators for over 200 countries and territories over the period 1996–2015. Six dimensions of governance have been included in the analysis. These are:

• Voice and Accountability;
• Political Stability and Absence of Violence;
• Government Effectiveness;
• Regulatory Quality;
• Rule of Law;
• Control of Corruption;

These six dimensions have been aligned along three axes, including:

• The process by which governments are selected, monitored, and replaced:
• The capacity of the government to effectively formulate and implement sound policies:
• The respect of citizens and the state for the institutions that govern economic and social interactions among them.

Figure 1 offers an analytical insight into these categories. The point here is that all three dimensions are interdependent, that overlaps exists and the so established model of governance offers a partial insight into developments in those countries. Further research and the use of other

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indicators would be needed either to broaden or to deepen the analysis. This shall be done in our future research.

**Figure 1.** Worldwide Governance Indicators (WGI): the quality of governance model of analysis

![Diagram of governance indicators](image)


These aggregate indicators combine the views of enterprises, citizens and experts collected through surveys conducted in industrial and developing countries. They are based on over 30 individual data sources produced by a variety of survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms. As the Authors of the WGI argue, the six composite WGI measures are useful as a tool for broad cross-country comparisons and for evaluating broad trends over time. However, they are often too blunt a tool to be useful in formulating specific governance reforms in specific country contexts. Such reforms, and evaluation of their progress, need to be informed by much more detailed and country-specific diagnostic data.

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that can identify the relevant constraints on governance in specific countries.20

For the sake of the examination in this discussion, individual country indicators for each of the six aggregate indicators for each of the EaP country were collected and put together. To add relevance to the argument, the individual scores, presented in the following Figures (2–7), have been benchmarked with values corresponding to the performance of Germany. Germany was chosen as our key comparator in order to make our discussion more objective, i.e. to display progress the EaP countries have attained with regard to the quality of governance, while at the same time highlighting how much more needs to be done if the EaP partner-countries are to align with the EU-level standards in governance. The period of examination that we applied is that of 2008–2015, i.e. the year prior to the EaP launch up until today, i.e. given the fact that we used the most recent data sets available at the time of writing.

4. Exploring the (WGI) quality of governance in the EaP countries

The first of the six dimensions of governance examined here is “Voice and Accountability”. It captures perceptions of the extent to which a country’s citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media.21

Data presented in Figure 2 suggest that Georgia succeeded in attaining the biggest progress in this domain, while the remaining EaP countries have been rather unable to attain any substantial progress. Ukraine is an interesting case, in that data depicts clearly the adverse impact on Voice and Accountability exerted by the annexation of Crimea and war in eastern Ukraine. Overall, all EaP countries examined have still a long way to go to reach the level of participatory democracy and freedom of expression as these are perceived by German respondents.

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The next indicator of governance (Figure 3) in the WGI model is Political Stability and Absence of Violence/Terrorism. This indicator captures perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically motivated violence and terrorism. The data presented in Figure 3, beneath, illustrate that apart from Georgia all countries experienced considerable worsening in perceptions concerning political stability and the risk of terrorism. The case of Georgia may be misleading in that in 2008 Russian aggression against South Ossetia took place thus affecting respondents’ perceptions in years 2008 and 2009. Still, as current developments in Georgia suggest, political stability is one of greatest achievements of successive Georgian governments. Indeed, Georgia’s attempts to make a case for its Euro-Atlantic vocation have been recognized recently by the EU through the lifting of the visa requirements for citizens of Georgia travelling to the EU.²²

Figure 3. Political Stability and Absence of Violence/Terrorism: Percentile Rank


Figure 4. Government Effectiveness: Percentile Rank


Figure 4 showcases government effectiveness across the EaP region. This indicator captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and
the credibility of the government’s commitment to such policies. Here the interesting case is Belarus that displayed considerable progress over the period 2008–2015. To a certain extent this finding is compliant with latest research on Belarus.23

Figure 5. Regulatory Quality: Percentile Rank


Figure 5 presents data referring to regulatory quality in the EaP partner-countries. This indicator captures perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development. Arguably, the degree of economic liberalization and alignment with the EU regulatory standards resulting from Association Agreements and DCFTAs have a key role to play in boosting countries’ performance in this field. Indeed, the case of Georgia demonstrates the enormous progress this country has achieved. From a different angle though, the case of Armenia, scoring high on this indicator is misleading in this regard. The conclusion here is, as argued elsewhere, that ENP and its components, such as the

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EaP or the UfM, are but one of the vectors of power in EU’s neighbourhood.\textsuperscript{24}

**Figure 6. Rule of Law: Percentile Rank**

The following indicator in the WGI is Rule of Law (Figure 6). It captures perceptions of the extent to which agents have confidence in and abide by the rules of society, and the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence. Seen in this way, this indicator gives the clearest insight into the ease of doing business in those countries. Out of the six countries examined here, Georgia once again stands out. Azerbaijan has also attained progress. Ukraine as expected is not doing well. From a methodological perspective, in order to make this set of data more comprehensive and hence be able to draw more detailed conclusions about the ‘rule of law’ in those countries, it would be really useful to refer to the World Banks’ Doing Business report.\textsuperscript{25}

Figure 7 offers an insight into control of corruption. This indicator captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well

\textsuperscript{24} Visvizi, Stryjek, op. cit.

as “capture” of the state by elites and private interests. The evolution of this index over the period 2008-2015 indicates that Georgia attained the greatest progress substantially approaching Western standards as set by the case of Germany. The cases of Ukraine, Azerbaijan and Moldova indicate that very little or no progress was achieved.

Figure 7. Control of corruption: Percentile Rank


Conclusion

The objective of this paper was to explore the value added of the governance approach to the study of the democratization and liberalization promoted by the ENP. By focusing explicitly on the case of EaP, we used the WGI analytical model to inquire into progress in quality of governance in the EaP partner countries attained over the period 2008-2015. Our comparator in the examination was Germany. The six variables against which the EaP partners’ progress was traced included: Voice and Accountability; Political Stability and Absence of Violence; Government Effectiveness; Regulatory Quality; Rule of Law; Control of Corruption. As the Authors of the WGI model argue, these six fac-

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tors offer a broad insight into the process by which governments are selected, monitored, and replaced: the capacity of the government to effectively formulate and implement sound policies, and into the question of the respect of citizens and the state for the institutions that govern economic and social interactions among them.\textsuperscript{27} While Figure 1 offered an overview of the WGI model, the subsequent discussion highlighted the best performers. The undeniable ‘winner’ is Georgia in that it scores the highest among all of the EaP partner-countries across the spectrum of the six indicators. Regarding other countries, results are mixed.

That being said, the important observation that needs to be made is that since the ENP and so EaP constitute one of many sources of power and influence in the region in question, it is impossible to attribute individual scores in the WGI model to the EU’s influence. As mentioned earlier, in some cases, the influence of the EU may be identified clearly, e.g. with reference to DCFTAs; sometimes it is necessary to draw from other sources of data to sharpen up the analysis. Overall, however, the question of democracy and democracy promotion as well as of political stability have been important components of the debate on the ENP’s efficiency since its launch. The dramatic developments that swept across the EU’s southern and eastern neighbourhood over the past years cast shadow on the ENP and its relevance. Consequently, even the EU normative power thesis\textsuperscript{28} has lost a lot of its initial charm, though not necessarily of its promise. The question of the EU and democracy promotion, including as well, albeit implicitly, the question of creating conditions necessary for political stability in partner countries and broader neighbourhood, has been broadly discussed in the literature.\textsuperscript{29} Several questions have been raised in that debate including those of input and output legitimacy, means and strategies of promoting democracy and the overall impact of the EU policies addressed towards the ENP partner countries.\textsuperscript{30} In their recent contribution to the same debate, Wetzel and Orbie (2015) delve on the substance of EU democ-

\begin{thebibliography}{9}
\bibitem{27} Kaufmann, Kraay, Mastruzzi, 2010, op. cit.
\bibitem{29} Boerzel, 2009.
\end{thebibliography}
racy promotion beyond its borders arguing that “in the absence of a clear conceptual basis for its democracy promotion policy” it is challenging to explain the content of EU democracy promotion (Wetzel, 2015: 1), let it alone to systematize it.\textsuperscript{31}

We argue that the lack of an explicit definition of what democracy entails does not necessarily work to the detriment either of the EU’s attempts to promote democracy or of its partner countries. Specifically, the case of eastern enlargement teaches us that it was not until the Copenhagen criteria and a series of additional criteria that had been developed over the next years, that the EU defined the meaning of the basic criteria of EU membership, incl. the functioning market economy criterion and the rule of law criterion.\textsuperscript{32} Moreover, it was the external projection of conditionality addressed to the accession countries that helped in turn the EU to re-define itself.\textsuperscript{33} What follows is, and this is perhaps one of the most important points to be raised in the debate on EU and its policies aimed at democracy promotion is, that in the absence of a clear set of concepts and measures defining the EU’s conception of democracy, the EU is in fact very democratic and leads by example. The other facet of this approach is that it is perhaps more efficient than its alternative. That way of promoting set of values and principles tacitly associated with democracy and good governance is democratic in that it does not seek to impose on its partners a specific form of democracy. It is practical in that by so doing it recognizes that country-specific circumstances play a pivotal role in defining what kind/form of democracy is workable in a specific country. More research is needed to explore the intricacies of this approach.


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Interview 1, European External Action Service (EEAS), Headquarters Brussels; Russia Division, 15 September 2016.


Policy advice concerning the ENP should reflect on the one hand Polish interests in specific regions covered by the policy, while on the other one should be shaped by the possibilities which are given in the framework of the ENP. The importance of ENP currently are closely related to endangerment of mass migrations and refugees escaping from neighboring territories threatened by war, lack of political and economic stability, poverty, hunger or simply perspectives of work and development. Three main dimensions Eastern, Southern and Balkan are engaged in conflicts. Ukraine because of the annexation of Crimea by Russia and troops surpassing Russian-Ukrainian border in support of the military presence of the occupied territory. In the South by Syrian war which also is closely linked with Russia’s military presence in the region. In the Balkans caused by Russia-Turkey conflict resulting from air borders of the latter by Russian military planes which are engaged in action in the Syrian conflict. This brings a general remark that all conflicts are closely linked with Russia’s political and military presence in the regions, what directly and indirectly has an impact on stability and security of

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2 This research project has benefited from funding under the Polish National Science Centre (NCN) grant titled ‘European Neighborhood Policy: (multi-level) governance, the reform process and the prospect of enhanced cooperation in the region’, OPUS/HS5, No. 2013/09/B/HS5/04534.
the people living there or their prospects concerning improvement for the future.

Policy advice could embrace two main avenues, from which the first one can be addressed to the European Commission, in which some priorities or important issues should be drafted which can help to focus the applied policies or show some new components that were overlooked, lost or seen as secondary while preparing ENP. This area would show how to define the ENP taking into account the Polish experience in systemic changes after 1989, which are seen as one of the most successful in the region. In this approach there is also specific role that can be played by the Polish as well as remaining East European diplomats putting EU, NATO, OECD and the member-states of these organizations to work harder on the plan of stabilizing the situation politically, militarily and economically, creating stable background for increased Economic Security Index (ESI). The second avenue should be addressing specific issues in which Poland can be helpful cooperating directly with specific states covered by the ENP and using the available ENP instruments prepared for that purpose by the European Commission. Such approaches can be constructed on the Polish experience of transformation as well as knowledge concerning relations of our state with the EU and with the state included into the ENP.

Having formulated these remarks one can divide the policy advice within ENP into two groups: (1) addressed to the Polish Foreign Ministry which can use them in relations with the European Commission and the DG responsible for the ENP in further shaping the policy; (2) addressed to the Foreign Ministry to consider them as part of its foreign policy within this specific area (ENP). These two problems will shape the paper.

1. General remarks

The regions and states covered by the ENP represent different level of development what is partly resulted by diversified stages of institutional links with the world economy and the EU. Moreover, the lack of stability in each of the states covered by ENP can be evaluated differently. Those three conditions can be seen as decisive in defining the Polish policy towards those states within the ENP. Despite some general frames and common elements which can characterize the Polish policy towards
all states covered by the ENP we can say that in each case policy of the country should be tailored individually addressing individual problems and possible solutions which can be helpful and applied. Evolution of the ENP since it was launched indicates the European Commission tries to build relations which can be more conducive in the states covered by the ENP, making the applied policies and sources more effective. This is reflected by the fact of organizing centers which work with hired specialists on transformation to help administration in ENP states to build structures which will be able in the future to work effectively administering specific sectors of the economy. Such move prepares or is done in parallel with the institutions twinning process which also was applied in Poland. At this point of advancement of cooperation Poland can play a new role representing the twin partner from the EU side.

The Polish experience in transformation embraces different areas in which Poland and Polish experts can be supportive. Its need to underline that Poland was the most successful state in the region of the East-Central Europe after 1989 transformation. This can be measured by dynamics of GDP changes per year and in the whole period since the transformation started. It can be also measured by other different indicators, enough to mention some of them: rate of increasing productivity, the development distance covered since 1989, applied exchange rate regime and exchange rate policy – resulting in safe development of the capital market, illustrated by absence of deeper perturbation on the stock-market, increase in salaries, increase in wealth, structural changes of the economy, effective privatization, relatively stable state budget, improvement of competitiveness, control over inflation, relatively quick recovery after the transition depression (shortest in the region), safe banking system, etc. In all these areas Poland applied in general similar policies as remaining states in the region, although in details those solutions differed. Those details embraced timing, sequence in order of the applied changes, complexity, persistency in completing the once started activities. All of that was achieved and done despite often strong criticism which was resulted by high social costs. It was important not only

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to prepare a good plan of changes but same weigh was given to the problem of communication with the society concerning the shape of changes, list of things that had to be changed and sequence of things to do. Important role here was played by personalities responsible for the finances, economy, trade, agriculture as well as schooling, education, external and home affairs, media, health, etc. In such early stages of transformation changes it is important to have personalities, who have support of the majority of nation, what is followed by trust and feeling of confidence and being represented by the government people.

In general we can assume that a nation will support transformation when changes resulted by such process are seen as bringing desired goals, what paradoxically means that starting point which is characterized by bad conditions gives a better start to changes than good conditions. Changes need leaders who can show the direction and guide through a difficult period, those leaders need to have good communication skills with the nation. The perspective of changes should embrace a number of things or features characterizing the future situation, which is defined by the goals of process of changes towards which the nation is heading. One of such goals is improvement of the situation in comparison with the starting point. This improvement needs to cover a number of indicators, which are easy to verify. One of such indicators is Economic Security Indicator (known as ESI). This indicator is worked out by International Labour Organization (ILO) and in general it is a combination of different securities that makeup by summing them economic security\textsuperscript{6}.

How ESI is deducted by ILO is mentioned in this book in another chapter, what should be said here is that the factors which make the formula are important and thus should be subject worth further studies and concern in all the states which go through a transition process. All listed indicators should be seen as general directions which are pointing at area requiring action of the international organizations as well as of the Member States of those organizations.

ILO lists a number of additional indicators which are not covered by the ESI general model. They embrace security of employment with six additional elements which should be taken into account while estimating this specific field of security. These elements are following: (1) index measuring ability of forming and expressing collectively opinion, what

is linked with social organizations such as trade unions, NGO’s, etc; (2) regional conditions shaping specific indicators, which are compared with similar data for remaining states in the region; (3) share in the society of low income people and presenting a model which can lead towards solving their problems; (4) problem of excluded people; (5) problem of women employment; (6) youth employment and employment of elderly people aged 55–77.

The economic security indicator (ESI) worked out by ILO illustrates how big number of problems are directly influencing the feeling of people in area of economic security. How important that issue is in process of supporting changes can be shown by first public polls which look for correlation between the so called “Program 500+” and support for the leading party in Poland. An expanded formula additionally embraces such areas as: (1) guarantees of health and services protecting against diseases and offering medical treatment when it is needed and desired; (2) elasticity of the educational market, which should be supposed to respond to changing demands for the educational services; (3) sustainable and effective pension system; (4) effective system supporting unemployed; (5) sector of the economic management which is responsible for improvement of the quality of life of the society, what is transferred to the qualification of labor force, methods and ways of using free time, development of culture, sports, recreation, etc.; (6) problem of secure and healthy food, followed by diets; (7) problem of water supply.

The given economic security index draws general directions in which EU should support ENP states in order to make their transformation strategies effective. The first move should be done towards better food and water supply. Most of the revolutions were stopped when the leading forces have faced food shortage, resulting in short time in food price increases. In majority of cases this is seen as lack of effectiveness of the process of changes.

In conclusion: findings in this part show which way applied policies should move, shaping the engagement of states who have experience in this area (like Poland and remaining East Central European EU Member

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7 “Program 500+” offered 500 zloty to families with more than one child. This was additional income for each young family with kids. The move decided about the support for the party which offered this solution in its program. Now other parties support this and none wants to withdraw from that decision. Populist policy becomes popular not only in Poland but earlier in Hungary and recently in Prague, where citizens demonstrate against elites.
States) and having impact on activities undertaken by the European Commission and it’s up to 2009 External Relation DG and the Commissioner (last position was held by Benita Ferrero-Waldner), what further on, after organizational mergers was embraced by the High Representative of the Union for Foreign Affairs and Security Policy (Federica Mogherini).

2. Interests of Poland and direction of possible actions to undertake

Poland is a bordering state with Russia, Belarus and Ukraine. Enhanced military presence of NATO in Eastern NATO states is one of the responses to the problem but does not eliminate sources of the growing tensions nor lead to improvement of the situation limiting or evolution of the EU-Russia relationship. Part of the problem here is rooted in policy of sanctions which were applied by the EU and NATO states towards Russia after the Crimea’s annexation in 2014, what was followed by Russia’s retorsions. Tensions additionally rose in beginning of 2016 with coming into life of the Ukraine-EU Association Agreement, what caused Russia’s specific reactions limiting privileged access to the Russian market, which was given to all the CIS states, ie. former Soviet Republics⁸. Ukraine applies a consecutive Action Plan, which recently cover the period of 2015–2017⁹.

Size of the NATO presence is not decided nor defined. Solutions are in specific preparatory phase. On the one hand RAND gives estimates how big should be the NATO / USA presence in Poland, Latvia, Lithuania, Estonia as well as in Hungary, Czech Republic and Slovakia. On the other hand one can compare such estimates with costs of increasing deterrence in the region by increasing presence of the USA and other NATO states in the region or simply with the already undertaken steps in this area, which are at least five times smaller to the earlier estimated


needs. In general the proportions between needs and actual decisions can be seen in proportion 5:1.10

Deterrence is only one of the responses which was added to the policies of EU and NATO member states. Solutions in this area are not only beyond the ENP but also do not solve the problem of security (or wider economic security) of the states covered by the ENP. On top of decisions concerning support of the refugees, who already came to Europe and create problems in regions where they arrive (Greece, Italy, Spain) but also destiny markets (Germany, France, Sweden, Finland, Holland or UK). It is not a mistake or omission that only so called old Member-States are being mentioned here. The listed states are higher developed than the new Member-States, what means that conditions for refugees arriving there are better and standards of living are higher and thus preferable.

Europe in light of flood of refugees started to quarrel over the divide of quotas of the immigrants who can be approved to be hosted in each of them. Uncontrolled numbers of immigrants have undermined the process of European integration as states not only stopped moving forwards in that process started to the opposite by limiting some of the achievements of former integration like Schengen Agreement concerning elimination of borders among the Member-States. Other moves follow. One of them is consideration of labor-force of the EU MS who work in other states than their original nation-state as immigrants, what means that their conditions of work and further on salaries and social benefits can be seen as different than those offered to nationals. Such solution is against the conditions approved in SEA11, what was followed by regulations introduced by consecutive treaties and regulations. Polish interest in this area is to put pressure supporting solutions which fully enforce decisions linked with the SEA. Polish interest here is to bring distinction between immigrants who should be defined as labor-force from outside of the SEA and labor-force of the SEA. Outsiders should enjoy different conditions of work in comparison with the insiders.


11 SEA – Single European Act, signed in 1986 and completed in 1992, with transitional periods for full liberalization of capital flows for Greece, Portugal and Spain. Recently there is strong pressure of EU politicians to complete the SEA in area of services.
Outsiders are states from outside the internal market while insiders are those who are citizens of one of the EU MS.

Important part of the Action Plan of the EU, supported by a wider international background (NATO, OECD, UN) should be to stop the Russian interference in regions outside the territory of this multinational state. In a way this issue is indirectly linked with the treats of a hybrid war or asymmetric attacks. This can be also linked with the problem of ISIS and war which is not linked with a nation or a territory. In the interest of Poland it is to persuade the EU and NATO MS that NATO’s physical presence in the region is necessary, within the solutions decided in Newport in 2014. Details of the final solutions will be decided in July 2015 in Warsaw during the next NATO summit. Poland and remaining Eastern states with Estonia, Latvia and Lithuania in that number followed by a number of non-EU MS but former republics of the SU, who try to cooperate closely with the NATO. All those states support the military and equipment presence of the NATO in Eastern NATO borders within so called Eastern Flank.

Second part of the policy should be addressing the problem of refugees, who are already in Europe and try to find their place in one of the EU’s MS. This requires some financial and organizational decisions here in Europe, followed by some investments. It also takes some activities that have to be undertaken in the countries of the regions from which refugees come. Needed decisions were already made when the 2016 EU Budget General was decided in 2015.

Third part, very important, should be addressing changes in the ENP states conducted in such way that people living in the area would consider their own territory as safe and guaranteeing decent level of Economic Security, defined according to the formula which was given earlier here, in this paper. This means more financial support, expert engagement, twining of institutions and in general more focused work with states covered by ENP. First of all it also requires engagement not only in institutional and legal solutions but also in the economic sphere, what should lead towards deep, comprehensive economic reforms. Criticism addressed towards Ukraine, seen from the side of Christine Lagarde (IMF) and followed by the EU politicians can result in suspending

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13 EU budget deal strengthens response to refugee crisis, Brussels 16 November 2015.
economic support for the country, additionally shadowed by postponing the visa-free movement from the side of the EU MS, which will make the already complicated situation even more difficult. Suspension of support in current conditions means US$ 40 billion less from the IMF, which already supported reforms in Ukraine by US$ 17.5 billion. Additional 11 billion were offered by the EU, the remaining part was invested by Japan and the USA. The IMF manages the transfers and negotiates the conditions of use of the credits.

Channels of communication and cooperation can be established between MS and ENP in areas which can be seen as areas of mutual interest: education, banking, health, infrastructure but also sustainable energy or R&D. This can be done with use of experience and lessons from that experience when France and Germany cooperated in early stages of mutual relations within the ECSC. Times have changed, conditions have changed as well as applied methods but still some models can work effectively.

**Summing up**

The policy advice concentrates on two dimensions: Eastern and Southern of the ENP. Part of the advice addresses activities directed by the Polish diplomacy towards the international organizations such as the EU, NATO and IMF, World Bank, OECD, etc. and the other part turns towards the states which are covered by the ENP policy. The policy advice distinguishes four types of activities: (1) deterring Russia and supporting the vision of withdrawal from engagement of this state in Ukraine’s annexed territories, followed by territories in which Russia supports separatist movements as well as military presence of Russia in Syria, followed by provocations on the EU/NATO borders (including Estonia, Finland, Latvia, Lithuania, Poland, Sweden and UK; (2) addressing the problem of refugees; (3) stimulating reforms and pro-democratic and pro-market changes; (4) bringing solutions which can improve the ESI (Economic Security Indicator). As we can clearly see both dimensions deal with territories in which Russia shows its political, military interests, what is followed by specific activities leading to establishment of supervision of territories in question by this Political Power. Both dimension of Russian and ENP activities lead to confrontation or clash which at this point can be seen as indirect collision while
with time passing and improper management of the growing tension can lead to bigger tensions and direct confrontation. This collision and confrontation of interests embrace, at this point, the EU policies and Russian policies in the two regions. The EU policies are pointed at support and system changes of the states in question by closer cooperation with the EU and the EU member states. In medium and longer run such cooperation is supposed to enable the ENP states in both dimensions (Eastern and Southern) to establish market democracies what can bring them into the main stream of the world economy. Russia’s interests are contradictory with that goal. Russia tries to rebuild its spheres of influence as a type of security belt, which distances the direct borders with NATO states. Needless to say that the model of Russian economic development confronted with practice did not work in the stage of relations between 1917–1989, when it was built upon planned economy and single-party leadership. It does not work currently when the state is applying protection of its market, resulting in low competitiveness, low productivity and traditional, outdated structure of the economy. Russia has two great strengths which are not used in their whole capacities. Those strengths are: educated and devoted people and raw materials including energy resources such as gas, oil and coal as well as gold, copper, uranium, etc. The mentioned potentials used for other purposes than defense, upgrading military power, building safety belt around its borders by using Hard Power and Force, can bring prosperity both to Russia and the neighboring states. This brings a consecutive finding: Russia has to be included but this can’t be done by force but it has to be done by Russia voluntarily. It has to be approved by the neighboring states, which are covered by the ENP. Perhaps before Russia is included in that policy the cooperation with the EU should be conducted in parallel one to another one. There should not be competition between available sources allocated in the future ENP for the Eastern Dimension, Southern Dimension and Russia. None of the dimensions should reduce the allocations in remaining dimensions. ENP in the mentioned 3 dimensions should be constructed in such way that it does not create new sources of tensions between the states in question. It is important to have all this in mind approaching to negotiations of the new Multiannual Financial Framework after 2014-2020. Negotiations of that framework did not start yet. Everything in this area is possible. The ENP on top of offering traditional solutions in reforming administration, supporting financially development of infrastructure should ad-
dress also such activities which fall into the category of Soft Power: culture, education, health, tourism, etc. In those specific areas stress should be put on media, production of films, translations and writing books together, exchange of students, scholars, making research together, etc.

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Chapter 8

Anna Visvizi

ENP as a case-study in governance: towards a governance approach to the ENP

Introduction

The objective of this paper is to set a framework of analysis of the European Neighbourhood Policy (ENP) conceived as a novel flexible policy approach geared towards managing relations among the European Union (EU) and countries in its eastern and southern neighbourhood. As the ENP is the outcome of a long process embedded in a context that has undergone dramatic evolution over the period 1995–2017, a case is made for the use of the governance approach as a method of exploring the specificity of the ENP. It is argued that governance approach to the study of the ENP offers the promise of capturing the overlapping and interlocking dynamics inherent in the politics of the ENP implementation. It also offers a way of navigating methodological challenges the complexity of the ENP generates. The governance approach makes it possible to examine in one analytical framework the interests and objectives of all stakeholders involved in the process of designing and implementing the ENP. At the same time, it allows us to identify mechanisms that underpin

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2 This research project has benefited from funding under the Polish National Science Centre (NCN) grant titled ‘European Neighbourhood Policy: (multi-level) governance, the reform process and the prospect of enhanced cooperation in the region’, OPUS/HS5, No. 2013/09/B/HS5/04534.
those stakeholders’ interactions. The argument is structured as follows. In the first section, the ENP is examined briefly through the lens of the methodological challenges it creates. In the following move, the term ‘governance’ is discussed. In the next section the value added of governance for the study of the ENP is explored. Conclusions follow.

1. The ENP and methodological challenges it presents

The overall objective of the ENP is to foster socio-economic change in the ENP partner countries and, in this way, promote their sustainable growth and development, thereby alleviating external pressures for the EU itself. The outcomes of the 2015 Review of the ENP put another layer of focus areas for the ENP. These include: good governance, democracy, rule of law and human rights; economic development for stabilisation; security and; migration and mobility. The key principles underpinning the ENP’s implementation are differentiation amongst partner countries, flexibility, joint ownership, greater involvement of the EU Member States, and shared responsibility. The principle of ‘more for more’ applies too.

Launched in 2004, the ENP is a unique policy framework. From its onset, it sought to offer a balance policy approach and framework of cooperation for countries located beyond its southern and eastern borders. While proposing this policy framework, the EU draw from its prior experiences of managing its external relations. As such the ENP bears a heavy mark of solution applied to countries of the ACP (Africa, Caribbean Pacific) region and most profoundly the mark of the Barcelona Process and the Euro-Mediterranean Partnership. The launch of the ENP is derivative of the decision to enlarge eastward and hence move the borders of the EU and hence expose the EU to a new neighbourhood. In times of what looked like epochal change and crumbling of cold war divides, the EU and its member states embraced the prospect of establishing a ‘ring of friends’ beyond the EU’s borders. The idea was that economic integration, support for market reforms and incentives for democratization would lead to political, social and economic stability at the EU’s southern and eastern frontiers. The inclusive nature of this

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...approach was reflected in the fact that the financial instruments devised would address also Russia, thereby assigning it an important, possibly equal role in the EU’s attempts to shape the regional dynamics in the post-Soviet space.

Indeed, at the heart of the ENP, even if always implicit in the EU discourse on the ENP, has been an attempt to spurt intra-regional cooperation. In this view, the politics of the ENP implementation has always been a function of the EU’s ability to manage the frequently inter-locking and competing regional and domestic pressures and dynamics in view of strengthening the socio-political process of building a region either in the Southern Mediterranean (SEM) or in countries included in Eastern Partnership (EaP). Today, following several revamps, the ENP remains a highly complex policy framework addressed to sixteen countries. The success of its implementation depends on the stakeholders’ commitment and resolve to abide by the ENP’s objectives, values and principles. It is also a function of the EU’s ability to facilitate this process. Indeed, “the impetus for regulatory change in the Eastern neighbourhood lies in specific strategies of domestic empowerments applied by external actors to foster the adoption and enforcement of transnational market rules.”

From the methodological perspective, the complex nature of the ENP requires that more sophisticated analytical frameworks for its examination are employed. In other words, the sheer diversity of actors, instruments, and their competing interests and objectives respectively, require that a multifaceted comprehensive framework be used to examine the mechanisms underpinning their interaction within the ENP policy framework. Multilevel governance seems to offer a way of doing just that.

It is important to highlight that the study of the ENP and in particular the practice of exploring the ENP from the EU perspective exacerbated a feeling that the hopes and expectations invested in the ENP over the years did not materialize. This expectations-outcomes gap in

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the politics of the ENP implementation is one of the key themes that steered the debate critical to the ENP. As explained elsewhere, as the subsequent attempts at making the ENP more effective failed to bridge that gap, the debate on the ENP’s faults continued along the lines of an inside-out approach to the ENP. In other words, the ENP tended to be assessed from the insiders’ perspective, frequently serving also “as the key interpretive lens through which the developments in the EU’s external context were examined”8. The problem with this inside-out approach is that it reifies the ENP and in fact the EU itself. It also assumes,

8 Visvizi, Stryjek, op. cit.
even if implicitly, that the EU can succeed in anything in its external environment. It also posits that the ENP is the only mechanism at work in the EU’s external context unchallenged by other sources of power, pressure and challenges. This rather incomplete view of the ENP and its role in the EaP and SEM regions, respectively, has been rebalanced in a recent paper by Visvizi and Stryjek, who propose a two-pronged strategy of exploring the ENP by applying both an inside-out and an outside-in approach.

This two-pronged approach “allows changing the research focus of the discussion on the ENP and its efficacy. By aborting the practice of employing the ENP as the interpretive lens, the broader context of the ENP implementation is considered and so the undue centrality of the ENP, specific to the inside-out approach, lessens. By changing the perspective of the inquiry, the analytical location of the ENP changes and the criticisms addressed towards the ENP can be re-thought.”

This approach will be employed in this study as an add on to otherwise established by now in the literature governance approach to the study of the ENP. Summing up, the methodological challenge related to the study of the ENP is the outcome of the ENP specificity. Three dimensions of that challenge can be identified.

First, the ENP represents a system of interactions among a wide variety of actors located at diverse levels of the policy-design and policymaking process. These actors inhabit countries members of the EU as well as the ENP partner countries. These actors represent the national authorities, the civil society, and the business sector. Apart from stakeholders directly involved in the ENP and its implementation, several third actors generate countervailing pressures and dynamics that influence the interactions that unfold with the ENP.

Second, the ENP is subjected to pressures generated by processes and developments unfolding independently of the EU and the ENP, e.g. the global financial crisis, the war in Syria, the fight against ISIS, terrorism, the annexation of Crimea, the war in eastern Ukraine etc. This suggests that the ENP is but one of vectors of power that are at play in the EU’s eastern and southern neighbourhoods. Figure 2 highlights these inter-

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9 Ibid.
10 Ibid.
locking dimensions and the scale of their impact on the politics of the ENP implementation.

**Figure 2.** The ENP and its domestic and external contexts

Finally, third, the ENP was established in 2004 on the wave of hype and hope that supporting liberal and democratic change was the most effective way of managing the EU’s external relations. This approach consistent with the idea of ‘effective multilateralism’ reflected the EU’s thinking of the world reminiscent of the post-1989 enthusiasm. The post-2010 developments and processes that unfolded in the EU’s neighbourhood led to a revision of that approach. The EU Global Strategy attests to do that by advancing a more cautious perspective, defined as ‘principled pragmatism’, and in fact a master-plan for the EU’s engagement in its neighbourhood.12 More details are still needed to fill in the

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conceptual framework the EUIGS proposes. Still, it marks a shift in paradigm underpinning the EU’s external relations. Regarding the ENP and the methodological challenge it generates, the point here is that the temporal dimension plays an important role. Everything changes in the ENP framework and beyond it. In this view, to explore the ENP requires that the temporal dimension be included in the analysis too. Figure 3 visualizes these three methodological challenges and their overlaps.

**Figure 3.** ENP and methodological challenges and their overlaps

2. Setting the conceptual context: the governance debate

Governance is an important concept in the field of politics and increasingly so in international relations in that it allows to include in the analysis simultaneously public and private actors engaged in a given policy-making process. As such it also accounts for their competing interests and objectives as well as capacity to actually exert influence on that policy-making process. An important aspect of governance is that
it assumes an absence of a central political authority.”13 In this view, “governance involves setting goals and making decisions for an entire collectivity”, including also “individuals or groups who have not explicitly agreed to them.”14 Arguably, rather than replacing the existing forms of managing politics, ‘governance’ in fact complements them whenever the established mechanisms of policy-making prove insufficient and novel approaches to problems and challenges at hand are required.15

The concept of governance emerged essentially in context of the globalization debate to account for the evolution of the established *modus operandi* of the international system. Against this backdrop, ‘global governance’ seemed to capture the variety of actors involved in the shaping of relations beyond the level of the nation state, across issue-areas, in absence of a clear single centre of authority. The term ‘global governance’ was employed context to account for the plethora of largely spontaneous attempts aimed at managing these challenges and running16 the world efficiently. The by now classic definition of global governance sees it therefore as a ‘thickening web of multilateral agreements, global and regional institutions and regimes, trans-governmental policy networks and summits’ such that each, in its own way, regulates a specific aspect of the new reality of international relations.17 The debate on global governance stimulated debate on macro-level transformations of the social, political and economic environment.18 Importantly, it also marked a departure from a narrow focus on government toward broader and more inclusive forms and mechanisms of managing politics, i.e. forms and mechanisms that challenge the centrality of the nation-state

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and national governments. This shift of focus is particularly important in that it by recognizing that state and non-state actors are engaged in processes of deliberation and agenda setting globally, it also opened several avenues of research on topic concerning the question of how these diversity of actors and stakeholders collaborate.

As I have argued elsewhere, the incontestable popularity of the term ‘global governance’ did not come without a price.\(^\text{19}\) Frequently it was argued that while ‘global governance’ was a useful concept, it was also a rather vague term, “since its definitions tend[ed] to be always very broad and all-encompassing”.\(^\text{20}\) Over time, as relevant research-agenda broadened, with ‘global governance’ travelling across issue-areas and fields of study, increasingly the emphasis in the ‘global governance debate’ shifted from governance to the global component of the term. In this way, the change of emphasis from ‘global’ to ‘governance’ and the resultant re-scaling of the empirical scope of governance, allowed in the early 2000s for ‘(global) governance’ to refocus and therefore address new empirical and theoretical questions. The debate on ‘governance’\(^\text{21}\) attests to that.

At this point, it is impossible to provide a detailed overview of the vast array of contributions on governance that have emerged over time.\(^\text{22}\) The challenge in drawing the lines of the discussion on ‘governance’, not only in the EU context, consists also of the fact that ‘governance’ denotes at one and the same time a specific mode of regulatory processes/policy-making and an approach to studying them. The departure from ‘global governance’ re-scaled the empirical focus of the concept. In turn, however, it raised the stakes in equipping ‘governance’ with a valid methodological toolkit and an equally valid research programme. Therefore, although consensus prevails in the literature on what governance denotes, different fields of social science (i.e. legal studies, international relations, political science, and political economy) define the research-

\(^{19}\) Visvizi, 2015, op. cit.


\(^{21}\) For an overview, see: D. Levi-Faur (ed.) The Oxford Handbook of Governance, Oxford University Press 2012.

\(^{22}\) D. Levi-Faur (ed.) The Oxford Handbook of Governance.
focus/variables differently. This calls for interdisciplinary approaches to governance as well as for corresponding conceptual frameworks.

The important observation here is that if governance denotes a thickening web of interconnections and interactions that unfold among a variety of actors located across the spectrum, the questions of mechanisms that underpin those interactions is the key one. Several approaches sought to address this issue by focusing on regulatory processes inherent in governance. From this perspective ‘knowledge’, its ‘availability’ and its role in modern regulatory processes was stressed. One could argue that knowledge in this view becomes the subtle mechanism that – while rarely explicitly referred to – conditions the variability of interactions among the diversity of actors involved in governance. Given that representation of knowledge is never neutral, in context of governance ‘knowledge’ acquires attributes of a soft mechanism, the uses of which are conditioned by the normative/ethical stances of the actors involved in the governance process. This renders governance a heavily normatively-loaded concept that offers, in a concealed manner, a pragmatic insight into the nature of the regulatory processes that go beyond the government and involve a vast variety of actors. If we assume that the ENP does in fact represent a model of governance, then its study through the lens of governance, as defined above, may in fact yield substantial value added. The following section addresses this issue.

3. A governance approach to the ENP

For several reasons, the ENP represents a unique case study to explore the value added of novel analytical approaches. The governance approach

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24 Visvizi, 2015, op. cit.

25 In contrast to the idealistic depictions of the ‘knowledge society’ – where knowledge is the product of collective learning and social pluralism – a more pragmatic take on ‘knowledge’ embodies the recognition that access to knowledge, selection and representation of knowledge, and finally re-construction of knowledge are highly subjective processes. Furthermore, constructivism-informed research offers convincing accounts of how the instrumental use of certain depictions of reality serve very specific political purposes and thus influence the policy-making (regulatory) process, including at the EU level.
seems to be one of them. Specifically, the ENP comprises of a variety of actors, located across the spectrum of socio-political and economic processes that shape the developments in the EU’s neighbourhood as well as in the EU itself. The ENP’s stakeholders, geographically dispersed, located at different strata of the political system both in the EU and beyond its borders, view the ENP as a framework through which to pursue their specific interests and objectives. The ENP stakeholders represent an abundance of frequently competing interests and objectives. In this view, the ENP constitutes a thick system of private and public actors engaged in policy-making process.

The governance approach assumes that there is no single centre of authority, but rather than replacing the existing forms of managing politics, ‘governance’ in fact aims at complementing them. In this sense, governance has a quality of being apolitical, designed to support the established mechanisms of policy-making whenever the latter prove insufficient to address challenges, threats and opportunities. Indeed, the most recent revamp of the ENP places considerable emphasis on ownership and to certain extent emancipation, or in other words, greater involvement of the partner countries’ individual agency in the process of ENP implementation. This might suggest that prospectively new, e.g. local and regional, centres of authority will be strengthened in the ENP framework thus lessening the so far incontestable role of the EU as the hub, and so the centre of authority (and source of finance) in the ENP framework. As the two-pronged inside-out and outside-in approach suggests, the ENP remains but one of the vectors of power in the EU neighbourhood. From this perspective, also the hub status of the EU turns more relative.

By shedding light on the knowledge and knowledge-management, the really interesting question that the governance approach addresses is that of mechanisms that underpin the complex and multi-layered interactions among the variety of actors involved in the ENP. As knowledge about matters and perceptions of reality captured in dominant discourses about play a fundamental role in the process of how the diverse stakeholders communicate, deliberate, set policy frameworks and strategies, the value added of the governance approach is that it links issues of policy-making and implementation with the notion of knowledge and knowledge management. Once the notion of knowledge, availability of

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26 Visvizi, Stryjek, op. cit.
knowledge and access to information, and the way of managing those is addressed and explored analytically, it will be possible to map the vectors of power and inter-dependencies that shape the fabric of the ENP daily. From this angle, also a very useful insight into the role of the European Commission and other EU level actors, will be available.

The concept of governance sheds light on the scale of challenge related to managing an immense variety of stakeholders in one single policy framework. Even if at the functional level, the ENP has been divided into the EaP and the UfM, it remains a vast strategy that seeks to accompany and to certain extent mimic the socio-cultural and political process of constructing a region beyond the EU’s eastern and southern frontier respectively. The governance approach, due to its emphasis on the complexity and multi-layered nature of policy-making process involving several actors, offers the analytical lens necessary to identify each of these layers and interactions that unfold. Accordingly, the governance approach, bears the potential of assisting the scholarly and political community to rethink the ENP in view of exploiting its potential more effectively.

Conclusions

The ENP remains a novel policy framework that gives tribute to the EU’s ability to learn, draw conclusions and improve its efficiency. As such it is an important policy instrument that mirrors the evolution of the EU and its organizational capacities. Above all, however, the ENP represents the EU’s attempt to devise a workable formula to manage its relations with its neighbourhood. As the several inter-locking dynamics interfere with those attempts, the ENP plays the role of one of many vectors of power and influence in the region. In this sense, its impact will always be limited; regardless of the expectations attached to it when it was launched. The ENP due to its complexity is a source of several methodological challenges. This paper identified them and by reference to the governance approach suggested how to bypass them.
Bibliography


Introduction

Arguably, with the launch of the Eastern Partnership (EaP) in 2009, one of the most important policy-strategies initiated by the EU over the past years, the potential benefits and synergies of socio-cultural cooperation were given additional emphasis, both at the level of declarations and actions taken. Tacitly, the logic behind investing in enhancing cooperation at societal and cultural levels was that by bringing the diversity of civil society actors closer together, a form of spill over effect would be visible in such domains as, e.g. mutual perceptions of each other, mutual understanding of each other’s interests and objectives, possibly promoting constructive dialogue among all EaP stakeholders. The launch of the EaP and its stress on socio-cultural cooperation was preceded by the release of the European agenda for culture in a globalizing world. Right after the launch of the EaP, the European Commis-
sion published its Green Paper on Unlocking the potential of cultural and creative industries.3 Certainly, voices critical to the EU’s mode and extent of engagement in the EaP partner-countries exist. The socio-cultural dimension is part of this critical discussion. These voices notwithstanding, it is important to bear in mind the bigger picture, i.e. the overall policy-objectives the EU seeks to accomplish via the socio-cultural dimension of cooperation and the specific benefits that individual actors involved in the implementation of relevant programmes and initiatives in EaP partner-countries have incurred. The notion of socio-cultural aspects of cooperation within the EaP framework acquires another very interesting twist when viewed through the lens of the EU international cultural relations’ strategy4 released in June 2016.

Given the fact that this strategy, similarly as in the field of the EU public diplomacy making5, seeks to exploit the existing network of EU member-states’ representations, i.e. diplomatic, cultural etc., around the world it opens up a vast variety of opportunities for the EU to strengthen its impact in the field of socio-cultural cooperation. Arguably, it may also enhance and create multiplier effects in other domains as well. The objective of this paper is to dwell on these issues. The argument is structured as follows. In the first part, the logic behind the inclusion of the socio-cultural dimension to the EaP is explored. In what follows, the specificity of the EaP partner-countries regarding culture, society and prospects of cultural cooperation and civil society network building is discussed briefly. Against this backdrop, the provisions of the EaP concerning socio-cultural dimension of cooperation are examined. Then, the EU international cultural relations’ strategy is highlighted and the prospect of it generating multiplier effects for the goals and objectives

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of the EaP in the field of socio-cultural cooperation is discussed. Conclusions follow.

1. On the logic behind the inclusion of the socio-cultural dimension in the EaP

Culture and societal dimension of cooperation acquired a new status in the EU external relations strategies in the 1990s. It was a derivative of changes introduced into the EU regulatory framework by the Maastricht Treaty, i.e. article 167 of this treaty stipulates that the EU “shall contribute to the flowering of the cultures of the Member States, while respecting their national and regional diversity and at the same time bringing the common heritage to the fore”\(^6\). The inclusion of that provision to the Treaty on the European Union created the imperative of inclusion of culture in diverse collaboration schemes promoted and supported financially by the European Commission starting in the 1990s. Consequently, when the Barcelona Process was launched in 1995, one of its objectives was to strengthen political and cultural ties on both sides of the Mediterranean Sea. Not surprisingly therefore, in the Euro-Mediterranean Partnership (EMP) launched in 1995, stress was placed on both political and cultural cooperation as well as on enhancing the functional connections at the civil society level.

What follows is that in 2002, i.e. on the eve of eastern enlargement, it was imperative that a new EU policy-framework was launched that would enable the EU to effectively manage its relations with its neighbours to become. At that point, experiences and ideas borne out of the efforts to shape the EU’s relations with the Southern Mediterranean – via the Barcelona Process and the EMP – proved useful and were applied to the ENP. Consequently, with the launch of the ENP, which essentially complemented the Barcelona Process and so the EMP, not only was the EU able to address its closest neighbours from within one policy-framework, but also due stress was given to culture and society. This observation constitutes one angle from which to consider the incorporation of cultural and social dimensions into the broader framework of coopera-

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tion among the EU and its neighbours in the East and in the South. In the context of the Eastern Partnership (EaP) one should consider another way of looking at the same issue.

In other words, the specificity of the Eastern Dimension of the ENP, i.e. EaP, is that regardless of geographical proximity and partner countries’ claims to Europeanness, EaP is devoid of a clear promise of EU membership. Therefore, so it seems, it was practically necessary to rebalance the relative weakness embedded in the EaP, by investing in soft-measures of attraction and policy-goals dissemination. In this sense, even if there has been a tendency to view socio-cultural dimension of cooperation in bilateral and multilateral agreements as less important, a case can be made that particularly in the context of the EaP this dimension of cooperation may be of at least equal value vis-à-vis the economic benefits of cooperation.

To put it differently, given the political cycle and societies’ propensity to support governments with a proven record of tangible achievements, governments tend to prefer engaging in international economic cooperation, e.g. trade and investment, rather than in cooperation in the field of culture. Unlike the latter, trade and investment tend to bring tangible results in a relatively short period of time. Therefore, it is easier to demonstrate the results to the electorate and thus gain the election premium. Experience teaches us nevertheless that strategies aimed at bringing respective societies closer together are of paramount importance in mid- and long-run. As such these strategies constitute condition sine qua non for the development of long-term sustainable economic and political dimension of cooperation among countries. Therefore, even if in the short-run the results of cooperation at the social and cultural level may not be visible, tangible and measurable, it is necessary to support these dimensions of cooperation. On the one hand, they constitute the invisible and necessary supporting components of all economic and political integration schemes; and on the other hand, as mentioned earlier, in the specific case of the EaP they are necessary to rebalance the relative weakness inherent in the EaP and consistent with a lack of the EU membership promise.

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7 Here the case of bringing the Polish and the German societies closer together through the work of the Krzyżowa Foundation should be mentioned; further examples abound.
2. EaP partner-countries: culture and society – issues and challenges

The EaP partner-countries, including Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine, share a common piece of history, especially in the 20th century. The implications of that shared history on their societies cannot be underestimated today. It is particularly true in view of the prevalent in those countries popular perceptions of reality, which frequently are still poignant with nostalgia after the Soviet Union. Similarly, the loyalties and affiliations that members of those societies express and the resulting from it dichotomy and a sense of a thorn-apart identity bear the mark of the USSR. Whereas knowledge of the Russian language, especially among the elderly, remains an undisputed comme il faut, one could also argue that certain parts of the code of communication transferred through the use of the Russian language keeps these societies in a strong hold of symbols, stereotypes, clichés. In other words, all six countries invited to join EaP have been influenced by the popular and populist culture of the Soviet Union.

They share not only a common experience of a part of the Soviet totalitarian state, but also of being parts of the Russian Empire prior to that.8 As a part of the Soviet Union, even if to a varying degree, these countries’ populations have been exposed to certain presentations of the regions’ history and the role of Kremlin in it. The educational programmes implemented during communism and the stress on the Russian language had a negative impact on languages and/or weakening appreciation of national/regional traditions and customs. Today, the dubious heritage of these experiences provides a vivid proof of the challenges that these countries face, especially regarding the socio-cultural aspects of their functioning. In this context, one should mention the position and the treatment of national minorities as well as the protection of cultural heritage, including the preservation of languages, dialects, customs but also architecture etc.

From a different vantage point, it will remain an open question to what extent communism and the denial of civil liberties, along with the dehumanization of the society that it implied, have had on the mentality of the nations in question. To be certain, this is an issue that is a sub-

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ject of concern and consideration for many also in East-Central Europe. Several accounts seem to suggest that following the collapse of communism, considerable parts of the society were prone to assume a rather passive stance filled with demands and expectations towards the reality, unwilling and perhaps also unable to grapple with the reality outside the bonds of the totalitarian system.

The similarities among these six countries notwithstanding, deeply rooted differences among them exist as well. This suggests that the EU’s attempts to address the variety of challenges and contingencies that these countries face at the level of cultural and social exchange require a two-pronged strategy, i.e. an approach that seeks to address the needs of the EaP partner-countries in a horizontal comprehensive way and an approach that seeks to address the individual needs of each of the EaP partner-country individually. The following paragraphs examine the approach to these issues that the EaP promotes.

3. EaP: provisions concerning the socio-cultural aspects of cooperation

Until the launch of the EaP in 2009, the EU’s involvement in socio-cultural cooperation in countries included in the EaP framework, i.e. Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine, has been limited to a few bilateral projects or activities implemented within the framework of Cross-Border Cooperation.9 The EaP, drawing on the EU’s experiences related to the implementation of the Barcelona Process, explicitly recognised the value of cultural cooperation and inter-cultural dialogue. In line with the logic that underpinned the establishment of the ENP, the process of strengthening political and cultural ties was seen as an integral part of all external policies of the EU.10 In the case of the EaP, the importance of cultural cooperation in addressing political pro-

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cesses and challenges was stressed. This included the imperative of engaging not only the governments, but also civil society actors both in the EaP partner-countries and across the region with a view to building functional connections between respective societies.

Accordingly, apart from cooperation located at the intergovernmental level, the EaP fosters cooperation that involves broader society. The key actors of civil society included are the Eastern Partnership Civil Society Forum, the Conference of Local & Regional Authorities for the Eastern Partnership (CORLEAP), the EURONEST Parliamentary Assembly, and the Eastern Partnership Business Forum. While these civil society fora have been assigned different specialized set of goals and objectives, the ENP fosters multilateral dialogue among the ENP stakeholders too. This dialogue takes place between the EU institutions, the EU member states and the ENP partner countries. At the level of the multilateral dialogue, the work load has been divided in to four thematic platforms focusing respective on: Democracy, good governance & stability, Economic integration & convergence with EU policies, Energy security, and People-to-People contacts.

The latter platform of cooperation, i.e. People-to-People contacts, is particularly important in the context of the discussion in this paper. One of its objectives is to complement bilateral agreements and actions (e.g. association agreements and agendas) and various EU international cooperation programmes on education and youth (Erasmus+), culture and the media (Creative Europe) and research and innovation (Horizon 2020 and Marie Skłodowska-Curie). As input is shared among actors involved in multilateral initiatives and those including the civil society actors, the socio-cultural dimension of cooperation acquires a degree of functionality. At this point it is therefore very important to highlight the definitional scope of the socio-cultural dimension and the resultant implications for action programmes that the EU supports in the EaP partner-countries.

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13 Ibid.
That is, in line with the guiding principles underlying the EU’s support for cooperation in the fields of culture, cultural sectors include the set of activities with an artistic and/or cultural content. In other words, the cultural content could be located across the value chain of the cultural industries, such as music, cinema and audio-visual, books and publishing, heritage, visual arts, performing arts, etc. It could also concern so-called transversal sectors like cultural tourism, education or communication. Indeed, from its onset, two targeted culture oriented programme frameworks have been devised for countries included in the EaP framework, i.e. EaP Culture Programme, for the period 2011–2015, and EaP Culture Programme Phase II (referred to as EaP Culture and Creativity Programme), for the period 2016–2018.

The objective of the Culture Programme has been to strengthen regional cultural links and dialogue within the EaP region as well as between the EU and EaP partner-countries’ cultural networks and actors. The budget allocated to this programme was set at €12 million for the period 2011–2015. The objectives of the follow-up programme for the years 2016–2018, have been defined in a slightly different manner. That is, cultural capacity-building has been given priority over cultural performance. Accordingly, four main areas including: research development of evidence-gathering mechanisms, capacity-building, raising awareness and providing opportunities for international cultural cooperation. The budget allocated to this programme has been set at € 4.29 million for the period 2016–2018.

The implementation of both programmes rests on the traditional set of instruments, including: technical assistance and grants to profit and non-profit actors. Specifically, the objective of technical assistance is to transfer to diverse actors, mostly public institutions and cultural sector, from the EaP partner-countries access to know-how, expertise and best-practice in the field. Due to their exposure to experts from third countries, technical assistance may enable those actors to establish nascent networks. Grants are open to profit and non-profit civil society cultural organisations and national and local institutions for regional cooperation.

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projects. The programme encompasses the entire cultural sector, including cinema and the audio-visual sector, contemporary arts, tangible and intangible heritage, as well as support for heritage conservation projects. The following two sections offer a detailed insight into the objectives and modes of implementation of EaP Culture Programme, Phase I and II.

4. The EaP Culture Programme

With regard to EaP Culture Programme Phase I, its objectives targeted culture and cultural cooperation within the EaP area and between the EaP partner-countries and the EU. That is, the EaP Culture Programme aimed at strengthening the capacity of the cultural sector in the region and enhancing the role of culture as a force for reform, promotion of tolerance, and social cohesion. For instance, one of the key objectives of the EaP Culture Programme was to strengthen policy-making, project and resource generating capacities of both the public sector and cultural operators. Moreover, the programme fostered dialogue and was meant to contribute to the development of co-operation mechanisms within the sector across the region. Finally, it aimed at promoting “linkages between cultural activities and wider regional agendas ranging from employment creation to social inclusion, environmental conservation, conflict prevention/resolution and intercultural dialogue”\(^\text{16}\). As mentioned earlier, the programme was implemented via technical assistance and grants.

As Table 1 demonstrates, since 2009 fifteen regional projects were launched, each of them supporting specific aspects of cultural activity in individual EaP countries and across the region. For instance, ‘Caucasus Cultural Initiatives Network’ promotes local initiatives that support ethnic, religious and cultural diversity across the South Caucasus. ‘Sharing History, Cultural Dialogue’ aims at strengthening the capacities of civil society actors in the field of cultural education in Armenia, Azerbaijan, Georgia, Moldova and Ukraine towards the implementation of an education that contributes to mutual understanding. As these two examples demonstrate, the broader logic behind the EaP’s recognition of the value of cultural cooperation is that inter-cultural dialogue is necessary to promote political stability and economic cooperation in the future.

Table 1. Eastern Partnership Culture Programme Phase I: regional projects

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<thead>
<tr>
<th>Name of the programme</th>
<th>Aim/objective of the programme</th>
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<tr>
<td>1 Caucasus Cultural Initiatives Network</td>
<td>local initiatives that support ethnic, religious and cultural diversity across the South Caucasus</td>
</tr>
<tr>
<td>2 Cultural Development is the Source for Prosperity of Community</td>
<td>strengthening the role of culture as a fundamental factor of influence on social, economic and human development of Ukrainian and Georgian societies</td>
</tr>
<tr>
<td>3 Directors across Borders</td>
<td>fostering the development of conditions and structures through which cinema can be a vector for sustainable economic, social and human development within and between EaP Countries</td>
</tr>
<tr>
<td>4 Equal Opportunities for National Minorities and Disadvantaged Groups in Realising Cultural Rights: Richness Through Diversity</td>
<td>preserving cultural diversity and to support the culture of minorities by strengthening capacities of local authorities, managers of culture institutions and local communities in Ukraine and Armenia</td>
</tr>
<tr>
<td>5 Let’s Talk About Films in South Caucasus</td>
<td>documentary filmmakers from the Southern Caucasus</td>
</tr>
<tr>
<td>6 New Breath of Culture: Fill Heritage with Life of Arts</td>
<td>designed to collect, develop and share models of partnership and interaction between museums and public organizations</td>
</tr>
<tr>
<td>7 Regional Co-operation for the Cultural Heritage Development</td>
<td>designed to improve the quality of Cultural Heritage management and to ensure its integration into economic development of the Eastern Partnership region</td>
</tr>
<tr>
<td>8 SAY CHEESE: Eastern Family Album. Capacity Building, Networking and Promotion of Thematic Eastern Partnership Photography</td>
<td>designed to enhance the development of thematic Eastern Partnership photography in the region and to contribute to the creation of a positive image of the Partnership</td>
</tr>
<tr>
<td>9 Sharing History, Cultural Dialogue</td>
<td>strengthening the capacities of civil society actors in the field of cultural education in Armenia, Azerbaijan, Georgia, Moldova and Ukraine towards the implementation of an education that contributes to mutual understanding</td>
</tr>
<tr>
<td>10 SOS Culture: Saving Endangered Cultural Assets in Remote Regions of Armenia and Georgia by Involving Local Youth in Their Preservation</td>
<td>conservation of and raise awareness for the endangered culture assets in border areas of Georgia and Armenia</td>
</tr>
<tr>
<td>11 Strengthening Creative Industries in Armenia, Azerbaijan, Georgia: Heritage Crafts – Common Platform for Development</td>
<td>fostering the sustainable development of the creative industries field of heritage crafts (traditional handicrafts, museum sources and applied art) in Armenia, Azerbaijan and Georgia</td>
</tr>
<tr>
<td>12 Sustainable Development of Local Communities Through the Actualisation of the Cultural Heritage</td>
<td>strengthening the cultural sector of Ukraine and Belarus through the rehabilitation and preservation of the ethno-cultural heritage of Polissya region</td>
</tr>
<tr>
<td>13 Sustainable Public Areas for Culture in Eastern Countries (SPACES)</td>
<td>recuperation of public spaces for art, culture and urban residents</td>
</tr>
<tr>
<td>14 The Book Platform</td>
<td>designed to answer the needs of different groups in the book sector – publishers, professional associations and reading promoters</td>
</tr>
<tr>
<td>15 Valorisation and Improving of Management of Small Historic Centres in the Eastern Partnership Region (VIVA EAST)</td>
<td>intended to bring territorial added value through an integrated approach for the smart reinforcement of small historic Centres and Landscape Systems</td>
</tr>
</tbody>
</table>

Overall, these programmes covered a variety of issues and topics that at the point of their launch seemed to have been of vital importance to the stakeholders. These programmes addressed to individual EaP partners, however, their design encouraged nevertheless intra-regional cooperation aimed at strengthening socio-cultural cooperation in the region. Table 1 (above) offers a detailed insight into the programmes mentioned. As Table 1 demonstrates, these programmes are of cross-sector nature. While some of them are addressed to individual EaP partner-countries, overall, the logic behind them is to foster intra-regional cooperation in the fields of culture and people to people contacts.

5. The EaP Culture Programme Phase II

The EaP Culture Programme Phase II with a budget of EUR 4.29 million for the period 2016–2018, consists of two components. The first four objectives of this programme (outlined earlier) are targeted by the technical assistance project Cultural Capacity Development Unit (CCDU) with similar competencies to the Regional Monitoring Capacity Building Unit (RMCBU) of phase I. The fifth objective is pursued by the project Community-led Urban Strategies in Historic Towns (COMUS), implemented by the Council of Europe.17 As a continuation of the Kyiv Initiative, this project aims to develop local development strategies for the historic centres of nine towns in the Eastern Partnership countries (2 towns in Armenia; 1 in Belarus; 2 in Georgia; 1 in Moldova; 3 in Ukraine); Azerbaijan withdrew18 from the COMUS project in 2015.19

17 More on COMUS and its role in the EaP Culture Programme in the following section.

18 At this stage, it is only possible to speculate on why Azerbaijan withdrew from the COMUS project. One of the feasible explanation might be associated with the fact that given the changing developments in international context, Azerbaijan-EU relations were set to be renegotiated as of 2014. Indeed, in July 2016 a Protocol on Azerbaijan’s participation in EU Programmes and Agencies was adopted. As such it paves the way towards negotiating a new agreement that will replace the 1999 Partnership and Cooperation Agreement.

The EaP Culture Programme Phase II, i.e. the *Creative Europe Programme*, offers opportunities for transnational cooperation among cultural and audio-visual operators. It is open to the participation of the ENP countries, subject to certain conditions, on an equal footing with the Member States. In the MEDIA sub-programme, audio-visual professionals/organisations from EaP countries can participate in trainings, festivals, audience development and market access activities. The Culture sub-programme provides funding opportunities for activities in the field of culture, notably cross-border cooperation projects, networks and platforms as well as literary translations. Opportunities under Creative Europe were presented by the Commission at the launch conference of the Eastern Partnership Culture programme. Georgia and Moldova were the first EaP countries to join Creative Europe. On 1 January 2016 Ukraine became the third EaP country to join the programme. The People-to-People contacts platform, also supports policy dialogue and policy sharing. As part of the on-going EaP Culture Programme II, preparations started for the organisation of the Creative Georgia Forum in Georgia in December 2016, which will be attended also by other EaP countries. Preliminary contacts were also held with the Moldovan Ministry of Culture, further to their proposal to host a workshop on creative cities in the second half of 2016.20

The objective of the EaP Culture Programme Phase II is to support the cultural and creative sectors’ contribution to sustainable humanitarian, social and economic development. The Programme will run for three years from 2015 to 2018 and its budget has been set at EUR 4.2 million.21 By default, the EaP Culture Programme Phase II is a regional programme, however, similarly as in the first EaP Culture Programme, it has been designed in a way that makes it possible to address the specific needs of the individual EaP partner-countries. Accordingly, the programme addresses such issues as project cycle management, cultural leadership, cultural and statistical research, advocacy, fund raising, cultural journalism and communication capacities. The objectives of this programme have been defined broadly. The programme offers support to conducting

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21 https://www.culturepartnership.eu/en/page/about
research and developing evidence-based policy; to cultural policy reforms; to capacity building for the cultural and creative sectors. The programme aims at supporting the exploitation of synergies between public, private and civil society actors; providing information and opportunities for international cooperation; raising awareness of the role of culture in sustainable development; sharing knowledge and good practice.

The programme will be implemented via a diversity of tools, including mapping, training, online learning, study visits, partnership fairs, cultural leadership initiatives, working groups, use of local and international experts, toolkits, an award scheme, networking and sharing good practice through the website, Facebook page, newsletter etc. It seems that the efficiency of its implementation is meant to be boosted by a central website, a hub, where information about the programme, including the cooperation and grant opportunities is to be shared to the interested stake-holders. Several programmes-lines/initiatives have been launched within the framework of this EaP Culture Programme Phase II. These can be joined either individually and/or by organizations active in the field of culture. These initiatives include for instance:

- Cultural Diplomacy Platform\textsuperscript{22}
- Culture for Cities and Regions\textsuperscript{23}
- EUROPA NOSTRA\textsuperscript{24}
- Circostrada Network\textsuperscript{25}
- European Creative Hubs Network\textsuperscript{26}
- http://creativehubs.eu/activity/peer-to-peer-scheme/
- Be SpectACTive!\textsuperscript{27}
- The Eastern Partnership Civil Society Forum\textsuperscript{28}.

Whereas each of these programmes/initiatives provides invaluable opportunities for the EaP stakeholders and their potential outcomes cannot be underestimated, it is very important to stress the Eastern Partner-

\textsuperscript{23} http://www.cultureforcitiesandregions.eu/culture/project [2017-02-01].
\textsuperscript{24} http://www.europanostra.org [2017-02-01].
\textsuperscript{25} http://www.circostrada.org/ [2017-02-01].
\textsuperscript{26} http://creativehubs.eu/activity/peer-to-peer-scheme/ [2017-02-01].
\textsuperscript{27} http://www.bespectactive.eu/ [2017-02-01].
\textsuperscript{28} http://eap-csf.eu/en/working-groups/wg4-contacts-between-people/ [2017-02-01].
ship Civil Society Forum (EaP CSF). The next section deals with it. Having said that, it is worthwhile to highlight this project’s emphasis is ‘culture’ and ‘creativity’. In other words, although this programme’s predecessor did strive to address the notion of creativity, it seems that Phase II of the culture programme implemented in the EaP framework is tailor-cut to create incentives that through efforts at individual and institutional levels aim at boosting the process of capacity-building in the region. A managerial perspective to the notion of capacity-building is evident in the programme’s design and description, whereby the notions of culture and cultural performance have been replaced by the concept of creative industries and their economic potential. In line with the Commission’s 2010 Green Paper on creative industries, the logic underpinning the implementation of the EaP Culture Programme Phase II is to promote an understanding of the positive impact creative industries can have on employment, small and medium businesses, the role of municipalities and social engagement.\(^2^9\)

Judging from the content of the key communication platform of the EaP Culture Programme ‘Culture and Creativity’\(^3^0\), a wide variety of opportunities exists for the stakeholders in the EaP partner countries. The purpose of the EU-Eastern Partnership Culture and Creativity Programme is to support the cultural and creative sectors’ contribution to sustainable humanitarian, social and economic development in Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. The activities include mapping, training, online learning, study visits, partnership fairs, cultural leadership initiatives, working groups, use of local and international experts, toolkits, an award scheme, networking and sharing good practice through the website, Facebook page, newsletter etc. The programme covers the following topics: project cycle management, cultural leadership, cultural and statistical research, advocacy, fund raising, audience development, cultural journalism and communication capacity-building. The budget of the Programme is €4.2 million for the period 2015–2018. At present, detailed insights into the exact levels of commitments and disbursements are not accessible.

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\(^3^0\) https://www.culturepartnership.eu/en/page/about [2017-02-01].
6. The Eastern Partnership Civil Society Forum (CSF)

The role of social dialogue and civil society actors’ involvement in the EaP have been repeatedly stressed in the debate on the efficiency of its implementation.\(^{31}\) From this perspective, the role and importance of civil society involvement in the EaP have been stressed. The role of social dialogue in view of consensus building among diverse EaP stakeholders has been emphasized as well. In this view, the EaP Civil Society Forum serves as a unique forum at which civil society actors from the EaP partner-countries and from the EU can engage in dialogue and hence share their experiences related to democracy promotion, the reform process leading to improving governance and transparency in their countries etc.

The EaP CSF is a platform that promotes values and principles the define the EU and by emulating the best practice make the nature of European integration more tangible to the EaP civil society actors. The idea is that in this way, reforms and democratic transformations in the six EaP partner-countries will be facilitated. Overall, the mission of the EaP CSF is to strengthen civil society in the region and to foster cooperation and the exchange of experiences between organisations of the Eastern Partnership countries as well as the EU. One of the subgroups of the Forum works on culture issues.\(^{32}\) In the context of the CSF, the General Assembly of the CSF is a leading civil society event in the EaP region providing extensive opportunities for networking and exchange of best practices among civil society actors. It serves furthermore as a platform for debates on the achievements of the EaP and the role civil society can play to further contribute to the success of the partnership. The Working Groups meet once a year in Brussels to discuss the common goals and activities that have been put forward through the respective working group (WG) structures in the EaP countries. Representatives of the WGs implement their own projects, regularly take part in EaP expert panels and multilateral platform meetings, where they provide expertise and gain valuable insight and contribute to achieving the main goals of the Forum. Networking and communication and joint projects continue throughout the year within national and regional set-

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\(^{32}\) http://eap-csf.eu/en/working-groups/wg4-contacts-between-people/ [2017-02-01].
ting between the members of the Working Group. Membership in the Civil Society Forum is open to all civil society organisations within the Eastern Partnership countries and EU member states.

As part of the Civil Society Forum process and to ensure active involvement of civil society in the reform mechanisms in each Eastern Partnership (EaP) country, national platforms (NP) were created. They have been functioning in all six EaP countries since 2011. National Platforms are an important tool, as they are stakeholders in the policy dialogue within their respective countries. They are thus one of the main vehicles in order to become active in an organised and structured way on the national level. Membership in National Platforms is open to all eligible civil society organisations. Within each National Platform, so-called Working Groups are organised to reflect the Working Group structure of the Civil Society Forum and thus to better follow and influence developments within each Working Group at the national level. The National Platforms hold regular meetings and annual conferences, during which the role of the Platform and its activities are analysed and planned. The linkage between the Civil Society Forum’s Steering Committee and the National Platforms is provided by Country Facilitators, who are elected to this function for a period of one year by the delegation of the respective country at the annual CSF. The main tasks of the Country Facilitators are to coordinate the activities of the members of the country delegation within the framework of the CSF and to represent them in the Steering Committee.

7. EaP and its socio-cultural dimension: other areas of engagement

Architecture of the EaP region, the one that has survived communism and has been preserved until today, constitutes a vital part of cultural heritage of the EaP partner-countries. One could argue that it is a component of particular salience in that frequently it serves as evidence of these countries’ identity prior to the Soviet rule. It is in this vein that the European Union jointly with the Council of Europe launched the “Community-Led Urban Strategies in Historic Towns” (COMUS) project. COMUS builds on the results of its predecessor programme, the Kyiv Initiative (2009–2011), and supports collaboration between national ministries and local stakeholders to promote reinvestment in
The socio-cultural dimension of the Eastern Partnership (EaP): contingencies ...

specifically, it aims at stimulating social and economic development by enhancing cultural heritage in 9 historic towns in Armenia, Belarus, Georgia, the Republic of Moldova and Ukraine. CO-MUS’ objective was to explore and test urban planning models which respond to the practical problems in small- and medium-sized historic towns. It builds on the ideas and model initially implemented under the Pilot Project on the Rehabilitation of Historic Towns carried out by the Council of Europe and the European Union (Education and Culture DG-EAC) from 2009 to 2011, and is based on a set of existing conceptual guidelines inherited from other previous European heritage projects i.e. “HerO: Heritage as Opportunity”, or the “Ljubljana Process: Rehabilitating our Common Heritage”, etc. Building on COMUS pilot success, COMUS has become a part of the EaP Culture Programme Phase II.

Accordingly, activities have been in progress since 1 January 2015, and will be pursued until 30 June 2017, in partnership with the Organization of World Heritage Cities (Regional secretariat, Regensburg, Germany) in Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine. The idea behind COMUS is to build synergies between local communities and state bodies and in this way, on the one hand, preserve the heritage defining the local identity, and on the other hand, to mobilize local and regional stake-holders in view of encouraging grassroots participation in local and regional governance and hence instil a sense of ownership of the social and urban restructuring processes.

By means of conclusion

The EaP remains a novel and ambitious policy-framework that aims at managing the EU’s relations with its neighbour beyond the EU’s eastern border. Several criticisms have been voiced vis-à-vis the EaP including


the most frequently spelled one, i.e. that the EaP does not really offer the prospect of the EU membership. In this paper, these criticisms have not been addressed. Instead the paper offered a brief insight into the means and ways of introducing change in the area of culture and civil society in the EaP partner-countries. It was argued that the soft power approach to inducing change in the countries of a region filled with contingencies and ambiguities may be the most efficient way of aiding the EaP partner-countries without harming them at the same time. Certainly, and this is also something that this paper hinted to, the EaP partner-countries have not remained immune to the developments in their broader geopolitical context. Therefore, their capacity to engage in cooperation with the EU has been affected as well. The case Azerbaijan attests to that. The value of the EU assistance in the domain of culture and society is minimal as compared to the size of the needs and challenges that should be addressed. This is done purposefully though, i.e. to attract funding from other sources and hence encourage multilevel cooperation among stakeholders from the EU and the EaP region. Only time will show if this approach delivers on its promise.

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Introduction

In many respects, Poland played a fundamental role in the process that led to the launch of the European Neighbourhood Policy (ENP). While some observers might argue that it is far-fetched, it is possible to make a case that the prospect of Poland’s accession to the EU, the largest of the eight post-communist countries deemed eligible to join the EU and fulfilling the membership criteria, fuelled a debate on the EU’s policy towards countries located in the Southern Mediterranean (SEM). In this way, a revamp of the EU’s stance towards the SEM region unfolded gradually, i.e. from the Barcelona Process, through the Euro-Mediterranean Partnership to the European Neighbourhood Policy. As a member of the EU, Poland successfully initiated a debate on the need to develop a more focused policy-framework that would address the specificity and the specific needs of countries that – while beyond the EU’s eastern borders – have been left in a political and ideological limbo of

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the fragmented post-Soviet space. In these terms, Poland and Sweden played fundamental role in launching the Eastern Partnership (EaP) in 2009, and making Armenia, Belarus, Moldova, Georgia, Ukraine, Azerbaijan the EaP partner-countries.

Since its launch, on several occasions, the EaP has been subject both to critique and attempts to address its weaknesses. No matter what the EaP critics said, undeniably, the EaP constitutes a nucleus of the EU policy towards its eastern neighbours. It is a policy framework that evolved in the shadow of the influence of the Russian Federation. A policy framework that sought to address the needs of the region, Russia’s claims notwithstanding. Undeniably, the logic behind the EaP, beyond the rhetoric of the ‘ring of friends’, has always been to engage in dialogue with countries that dwell with the burden of historical, economic, political and social heritage of the Soviet Union (USSR). In this way, the EaP, i.e. by means of soft policy measures, stimulates processes and reforms designed to lead to economic and political stabilization in those countries and in this region. In this view, implicitly, the rationale behind the EaP has been driven by geopolitical considerations in that the tacit goal of the EU-level actors has always been to pre-empt the emergence of a vacuum in the post-Soviet Space. Given the success of the 2004 eastern enlargement, the experience of negotiated socialization through conditionality⁴ that the EU and its member states acquired in the process of enlargement, has been applied, nearly directly to the EaP. It will remain an open question if this was the most efficient way of dealing with the needs and challenges that the countries in the region face as well as with their specificity. Given the conflicts raging in the region and the risk of destabilization, what really matters today is, what lessons can we draw from the experience of the EaP implementation and hence what mistakes to avoid. It is equally important to examine if, and how, the involvement of Russia in the EaP could bear any positive influence on the efficacy of the EaP implementation.

Overall, any discussion that aims at producing viable policy advice and recommendations for Poland vis-à-vis the ENP has to take the observations outlined above into consideration. In particular, it is necessary to address the following issues. One, it is necessary to dwell on Poland’s

Improving efficiency of the ENP: policy advice for Poland

interests and objectives related, on the one hand, to the two regions that the ENP covers, including the Eastern and the Southern dimension of the ENP and, on the other hand, the specific ENP partner-countries. Two, it is imperative that the broader historical and ideational logic behind Poland’s interest in the ENP regions and the ENP partner-countries is taken into account. Three, it is necessary to examine the EU membership component to examine the degree of the politically and diplomatically possible and desirable for Polish foreign policy within the ENP framework. Four, it is necessary to reconsider the relationship between the EU and Russian Federation in the context of the ENP. Finally, and from a different angle, it is necessary to take note of the fact that the regions and countries included in the EaP are at different levels of social, political and economic development and this fact alone suggests that different measures and policy-tools will need to be applied to attain the politically desired outcome. The objective of this paper is to bring these policy considerations and constraints into an equation that ultimately might pave the way towards a meaningful advice and recommendations suitable for those involved in the policy-making process. The argument shall be structured as follows. First, some thoughts on Poland’s interests and objectives related to the implementation of the Eastern and Southern Dimensions of the ENP will be outlined. Then, a case will be made for the relevance of Polish experience with transition and transformation and its applicability to the ENP. In the third move, the Economic Security Index (ESI) will be introduced as a tool of structuring the remainder of the paper. Conclusions will follow.

1. Poland’s interests and objectives: ENP’s Eastern and Southern Dimensions reconsidered

Policy advice concerning the ENP should reflect, on the one hand, Polish interests in specific regions covered by the policy, while, on the other hand, should take into account the possibilities which are given in the framework of the ENP. Today, the importance of the ENP is closely related to the implications of uncontrolled mass migration and influx of refugees escaping from neighbouring territories threatened by war, lack of political and economic stability, poverty, hunger or simply lacking perspectives of work and development. Undeniably, Poland’s interests and objectives regarding the Eastern and the Southern Dimensions of
the ENP respectively, are shaped by security concerns. In this view, the Eastern Dimension of the ENP, due to its vicinity to the Polish borders, acquires particular relevance in the context of policy advice and the urgency of the matters concerned. Nevertheless, also the Southern Dimension of the ENP, i.e. the countries of the Southern Mediterranean, constitute a vital source of threats and challenges that Poland is bound to be concerned as well, not only due it its membership in the EU and NATO, but also due to the indirect safety and security implications originating out of the developments in the SEM. Specifically, the sources of threats and challenges in regions and countries included in the ENP, can be attributed to the following developments.

Three main dimensions Eastern, Southern and the Balkan one are engaged in conflicts. Ukraine, because of the annexation of Crimea by Russia and troops crossing the Russian-Ukrainian border in support of the military presence of the occupied territory. Poland has borders with both of the states. In the South by Syrian war which also is closely linked with Russia’s military presence in the region. In the Balkans caused by Russia-Turkey conflict resulting from invading air borders of the latter by Russian military planes which are engaged in action in the Syrian conflict. It seems important to remind that Turkey is a NATO member and is part of the EU’s customs union, negotiating conditions of membership in the EU. This brings a general remark that all conflicts are closely linked with Russia’s political and military presence in the listed regions. Directly and indirectly it has an impact on stability and security of populations inhabiting these areas and their prospects concerning improvement for the future. The tensions in the mentioned regions cannot be reduced to the presence of Russia. In the majority of cases they have their own economic and political background that is played or used by the remaining former super-powers, which seek to rebuilt their areas of influence. This results in a new wave of “cold-war”.

Dwelling on the EaP and the definition of Poland’s interests and objectives related to its implementation, it is necessary to point to two additional issues. Certainly, behind Poland’s initiative to curve out a more specific approach of the EU towards its eastern neighbours, has been the perennial

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6 Russia accuses West of causing the new wave of cold war, while the sources are clear and doubtless.
security concern borne out of Polish historical experiences with Russia. However, an important, though frequently overlooked, aspect of Poland’s support, at the level of political discourse and assistance on the ground, mostly via the NGOs, for liberal changes in the EaP partner-countries, is bound with the delineation and consolidation of East-Central Europe as a region culturally and politically distinct from Russia. If the EaP has added to the process of consolidating of the idea of East-Central Europe, as defined by Halecki\(^7\), and in this way reaffirmed Poland’s role in the process of shaping the EU’s relations with Russia, it has also created other opportunities. That is, as argued elsewhere, “the EaP … opens up the possibility of decoupling the fate of Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine from Russia.”\(^8\) In other words, history and historical experiences matter. Even if economic models do not account for them explicitly, these experiences are carried through and by successive generations thus exerting an impact (positive or negative) on contemporary social, political and economic process. The lesson here is twofold. On the one hand, it is important that Poland finds its way to emulate the understanding and, in fact, the feeling of Russia as a neighbour to the EU level policy-making. Here, nevertheless, it is equally important to emphasize that Russia, as represented by its leaders, only rarely translates into the liberal forces and voices that Russian society, has nourished over the past decades.\(^9\) Only in this way, the EU, and the West, will be able to think out of the box when addressing the challenge of today’s Russia. The lesson number two is that similarly as Poland, that carries its own tragic experiences and moments of glory, so do the EaP partner-countries and their societies. In this view, a great degree of sensitivity to the diversity that the EaP as a region and partner-countries embody is essential when devising policy advice and recommendations. This being said, the following section sheds light on the relevance of the Polish experience with systemic transition and suggests ways of emulating it to the ENP countries.\(^10\)


\(^8\) M. Filipowicz, ‘The idea of East-Central Europe and its role in shaping the logic behind Eastern Partnership’, *Yearbook of the Institute of East-Central Europe*, vol. 14, no. 6, 2016, p. 70.


2. Drawing lessons from Poland’s experience with transition: a two-way street

In order to devise any policy advice for Poland regarding the ENP seen as a broader policy-framework geared by the European Commission and the EU member-states, it is necessary to dwell on the question of what is it that the European Commission can do, especially now following the establishment of the European External Action Service (EEAS) and the publication of the European Union Global Strategy (EUGS)\(^{11}\). In other words, policy advice could embrace two main avenues. The first one can be addressed to the European Commission, in which some priorities or important issues should be drafted. These can help to focus the applied policies or show some new components that were overlooked, lost or seen as secondary while preparing the ENP. This area would show how to define the ENP taking into account the Polish experience in systemic changes after 1989, which are seen as one of the most successful in the region. In this approach there is also a specific role that can be played by the Polish as well as remaining East-Central European diplomats putting EU, NATO, OECD and the member-states of these organizations to work harder on the plan of stabilizing the situation politically, militarily and economically, creating stable background for increased Economic Security Index (ESI). In this context, Poland’s role in the OECD should be taken seriously into account. Given the OECD’s role as a recognized neutral broker among a diversity of stake-holders involved in the process of systemic reforms and given Poland’s experience with transition and transformation\(^{12}\), the OECD forum might prove an essential venue to promote Poland’s interests and objectives related to the EaP in particular\(^{13}\).

The second avenue should be addressing specific issues in which Poland can be helpful cooperating directly with specific states covered

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\(^{11}\) Visvizi and Stepniewski, op. cit.


by the ENP and using the available ENP instruments prepared for that purpose by the European Commission. Such approaches can be constructed on the Polish experience of transformation as well as knowledge concerning relations of our state with the EU and with the state included into the ENP. In both cases, the advice is built on the assumption that costs of mass migrations arriving to higher developed economies are much higher than engagement on spot in those states, helping them to overcome their crises. Another important assumption is that there is an overall consensus at the EU-level that ENP represents a policy-framework that has retained its relevance and hence that it is worth it to invest in it politically and financially. Importantly, it also requires a dose of good will and forward thinking to bypass the legitimate bias towards the Russian Federation and its political conduct today. What follows is that it is necessary to consider the possibility, and hence build relevant scenarios today, that one day Russia will compromise with the model of multilateralism and peaceful cooperation that the West, as we have known it, embodies. Building on these vital assumptions, the resulting calculation is simple and embraces not only financial sources engaged directly in aid and expertise but also costs of undermining the foundations of the EU’s integration and wider scale international cooperation. Having formulated these remarks one can divide the policy advice within ENP into two groups:

(i) addressed to the Polish Ministry of Foreign Affairs which can use them in relations with the European Commission and the DG responsible for the ENP;

(ii) addressed to the Polish Ministry of Foreign Affairs to consider them as part of its foreign policy within this specific area (ENP). These two problems will shape the remainder of the paper.

3. General remarks

The regions and countries included in the ENP represent different level of development, which results in diversification with regard to these states institutional links with the world economy and the EU. Moreover, the lack of stability in each of the states covered by ENP can be evaluated differently. Those three conditions can be seen as decisive in defining Polish policy towards those states within the ENP. Despite some general frames and common elements which can characterize the Polish policy
towards all states covered by the ENP we can say that in each case policy of the country should be tailored individually addressing individual problems and possible solutions which can be helpful and applied. Evolution of the ENP since it was launched indicates that the European Commission tries to build relations which can be more conducive in states covered by the ENP, making the policies applied and sources more effective. This is reflected by the fact of organizing centers which work with “invited and hired” specialists on transformation to help administration in ENP states to build structures which will be able in the future to work effectively administering specific sectors of the economy. Such move prepares or is done in parallel with the institutions twinning process which also was applied in Poland. At this point of advancement of cooperation Poland can play a new role representing the twin partner from the EU side.

Having said that it should be explained that Poland is not the direct market attracting waves of immigrants from the ENP states. Most of the refugees come to bordering states but are aiming at staying in most generous markets such as Germany, France, UK, Scandinavian states and Netherlands. Problems with fulfilment of the fiscal convergence criteria (size of budget deficit and public debt) additionally challenged by costs of shouldering the refugees wave, cause such reaction as that of the UK’s concerning social benefits diversification.14

The Polish experience in transformation includes different areas in which Poland and Polish experts can be supportive. There is need to underline that Poland was the most successful country in the region of East-Central Europe after 1989. This can be measured by the dynamics of GDP changes per year and in the whole period since the transformation started. It can be also measured by other indicators. Suffice it to mention some of them: the rate of increasing productivity, the development distance covered since 1989, the exchange rate regime applied and exchange rate policy – resulting in safe development of the capital market, illustrated by absence of deeper shocks on the stock-market, increase in salaries, increase in wealth, structural changes of the economy, success-

14 Different treatment of national workers and foreign, what undermines the conditions introduced within the SEA. Directly changes in this area can result in halting further deepening of integration and moving the achieved level of integration backward. This can be seen as direct endangerment of the interests of workers who have jobs in markets of other member states than their own national economy, with Poland in that number. This clearly defines the Polish interests in this area and enforces the state to work effectively in changing (reforming) the ENP economies.
ful privatization, relatively stable state budget, improvement in competitiveness, control over inflation, relatively quick recovery after the transition depression (the fastest in the region), safe banking system, etc.

In general, in all these areas Poland applied similar policies as the remaining countries in the region, however, substantial differences could be observed at the level of implementation. These differences included the timing, the sequence in order of the applied changes, the complexity, and persistency in completing the activities begun. All this was achieved and done despite often strong criticism, the outcome of high social cost of the reform process. It was important not only to prepare a good plan of changes but same weigh was given to the problem of communication with the society concerning the shape of changes, list of things that had to be changed and sequence of things to do. Important role here was played by personalities responsible for the finances, economy, trade, agriculture as well as schooling systems, education, external and home affairs, media, health, etc. In the early stages of transformation, personalities matter. Yet, they need to have the support of the majority of the nation, i.e. they need trust and feeling of confidence as true representatives of the nation.  

4. The Economic Security Indicator (ESI)

In general, we can assume that a nation will support the process of transformation when changes inflicted by this process are seen as bringing the desired goals. Paradoxically, this means that the starting point – which is characterized by bad conditions – gives a better start to changes than good conditions at the beginning. To attain the desired changes requires leaders who can show the direction and guide through a difficult period. Those leaders need to have good communication skills with the nation. The perspective of changes should include a number of things or features characterizing the future situation, which is defined by the goals of process of changes towards which the nation is heading. One of such goals is the improvement of the situation in comparison with the starting point. This improvement needs to cover a number of indicators, which are easy to verify. One of such indicators is Economic

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Security Indicator (known as ESI). This indicator, produced by International Labour Organization (ILO), is a combination of different dimensions of security that define economic security. What embraces: labor supply and demand security, effectiveness performance security index, job security index, skills security index, work security index, representation security index, income security index.

All listed indicators should be seen as general directions which are pointing at area requiring action of the international organizations as well as of the Member States of those organizations in their bilateral actions brought in cooperation with the ENP Partner-state.

ILO lists a number of additional indicators which are not covered by the ESI general model. They embrace security of employment with six additional elements which should be taken into account while estimating this specific field of security. These elements are the following: (1) index measuring ability of forming and expressing collectively opinion, what is linked with organizations such as trade unions, NGO’s, etc; (2) regional conditions shaping specific indicators, which are compared with similar data for remaining states in the region; (3) share in the society of low income people and presenting a model which can lead towards solving their problems; (4) problem of excluded people; (5) problem of women employment; (6) youth employment and employment of elderly people aged 55–77.

The economic security indicator (ESI) produced by ILO illustrates how a big number of problems is directly influencing the feeling of people in the area of economic security. An expanded formula additionally embraces such areas as: (1) guarantees of health and services protecting against diseases and offering medical treatment when it is needed and desired; (2) flexibility of the education market, which should be supposed to respond to changing demands for the educational services; (3) sustainable and effective pension system; (4) effective system supporting unemployed; (5) sector of the economic management which is responsible for improvement of the quality of life of the society, what is transferred to the qualification of labor force, methods and ways of spending free time, development of culture, sports, recreation, etc.; (6) problem of secure and healthy food, followed by diets; (7) problem of water supply.

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The given economic security index draws general directions in which the EU should support ENP states in order to make their transformation strategies effective. The first move should be done towards better food and water supply. Most of the revolutions were stopped when the leading forces have faced food shortage, resulting in short time in food price increases. In majority of cases this is seen as lack of effectiveness of the process of changes.

In conclusion: findings in this part show which direction the applied policies should move, shaping the engagement of states who have experience in this area (like Poland and the remaining East-Central European EU Member States) and having impact on activities undertaken by the European Commission and it’s up to 2009 External Relation DG and the Commissionaire (last position was held by Benita Ferrero-Waldner), what further on, after organizational mergers was embraced by the High Representative of the Union for Foreign Affairs and Security Policy (Federica Mogherini). Currently ENP is part of the EU’s Global Strategy.

5. Interests of Poland and direction of possible actions to undertake

Poland shares a border with Russia, Belarus and Ukraine. Enhanced military presence of NATO in Eastern NATO states is one of the responses to the problem. However, it does not eliminate either the sources of the growing tensions, or leads to improvement of the situation limiting or triggers evolution of the EU-Russia relationship. Part of the problem here is rooted in the sanctions regime were applied by the EU and NATO states towards Russia following the annexation of Crimea in 2014. Tensions additionally increased in the beginning of 2016 with the entry into life of the Ukraine-EU Association Agreement. The latter caused Russia’s specific reactions limiting privileged access to the Russian market, which was given to all CIS states, i.e. former Soviet Republics.

The size of NATO presence is not decided nor defined. Solutions are in specific preparatory phase. On the one hand, RAND gives estimates how big NATO/USA presence in Poland, Latvia, Lithuania, Estonia, Hungary, the Czech Republic and Slovakia should be. On the other hand, one can compare such estimates with the cost of increasing deterrence in the region by increasing presence of the USA and other NATO countries in the region. One can also compare the steps already under-
taken in this area, which are at least five times smaller than the earlier estimated needs. In general, the proportions between the needs and the actual decisions can be seen in proportion 5:1.\textsuperscript{17}

Deterrence is only one of the responses which was added to the policies of EU and NATO member states. Solutions in this area are not only beyond the ENP but also do not solve the problem of security (or wider economic security) of countries included in the ENP. On top of decisions concerning support for the refugees, who already arrived to Europe and create problems in regions where they arrive (Greece, Italy, Spain) but also destination countries (Germany, France, Sweden, Finland, Holland or the UK). It is not a mistake or an omission that only so called old member-states are being mentioned here. The listed states are more developed than the new member-states. This means that conditions for refugees arriving there are better and standards of living are higher and thus preferred by the immigrants.

Faced with the flood of refugees, Europe started to quarrel over the division of quotas of the immigrants who can be approved to be hosted in each of the EU member-states. Uncontrolled numbers of immigrants have undermined the process of European integration as states not only stopped moving forwards in that process but also started the opposite; for instance, by limiting some of the achievements of former integration like Schengen Agreement concerning elimination of borders among the Member-States. Other moves follow. One of them is consideration of labor-force of the EU MS who work in other states than their original nation-state as immigrants. This means that their conditions of work and further on salaries and social benefits can be seen as different than those offered to nationals. Such solution is against the conditions approved in SEA\textsuperscript{18} as well as regulations introduced by consecutive treaties and regulations. Polish interest in this area is to put pressure supporting solutions which fully enforce decisions linked to the SEA. Polish interest here is to bring distinction between immigrants who should be defined as labor-force from outside the SEA and labor-force of the SEA. Outsiders should enjoy different conditions of work in comparison with the

\textsuperscript{17} Reinforcing Deterrence on NATO’s Eastern Flank, Rand Corporation Report, 2015.

\textsuperscript{18} SEA – Single European Act, signed in 1986 and completed in 1992, with transitional periods for full liberalization of capital flows for Greece, Portugal and Spain. Recently there is strong pressure of EU politicians to complete the SEA in area of services.
insiders. Outsiders are states from outside of the internal market while insiders are those who are citizens of one of the EU MS.

An important part of the Action Plan of the EU, supported by a other international actors (NATO, OECD, UN) should be to stop Russian interference in regions outside the territory of this multinational state. In a way, this issue is indirectly linked to the treats of a hybrid war or asymmetric attacks. This can be also linked to the problem of ISIS and war which is not linked with a nation or a territory. It is in the interest of Poland to persuade the EU and NATO MS that NATO’s physical presence in the region is necessary, within the solutions decided in Newport in 2014. Details of the final solutions will be decided in July 2015 in Warsaw during the next NATO summit. Poland and remaining Eastern states, including Estonia, Latvia and Lithuania in that number followed by a number of non-EU MS but former republics of the SU, who try to cooperate closely with the NATO. All those states support the military and equipment presence of the NATO in Eastern NATO borders within so called Eastern Flank.

Second part of the policy should be addressing the problem of refugees, who are already in Europe and try to find their place in one of the EU’s MS. This requires some financial and organizational decisions here in Europe, followed by some investments. It also takes some activities that have to be undertaken in the countries of the regions from which refugees come. Needed decisions were already made when the 2016 EU Budget General was decided in 2015.

Third part, very important, should be addressing changes in the ENP states conducted in such way that people living in the area would consider their own territory as safe and guaranteeing decent level of Economic Security, defined according to the formula which was given earlier here, in this paper. This means more financial support, expert engagement, twining of institutions and in general more focused work with states covered by ENP. First of all it also requires engagement not only in institutional and legal solutions but also in the economic sphere, what should lead towards deep, comprehensive economic reforms. Criticism towards Ukraine, seen from the perspective of Christine Lagarde (IMF) and followed by the EU politicians can result in suspending

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20 EU budget deal strengthens response to refugee crisis, Brussels 16 November 2015.
economic support for the country, additionally shadowed by postponing the visa-free movement from the side of the EU MS, which will make the already complicated situation even more difficult. Suspension of support in current conditions means US$ 40 billion less from the IMF, which already supported reforms in Ukraine by US$ 17,5 billion. Additional 11 billion were offered by the EU, the remaining part was invested by Japan and the USA. The IMF manages the transfers and negotiates the conditions of use of the credits.

Channels of communication and cooperation can be established between MS and ENP in areas which can be seen as areas of mutual interest: education, banking, health, infrastructure but also sustainable energy or R&D. This can be done with the use of experience of France and Germany and their early stages of mutual relations within the ECSC. Times have changed, conditions have changed as well as, similarly as the methods applied, but some models still can work effectively. Supporting reforms stimulating market and democratic changes should be also seen through national interests of the EU MS’s. This means, that on the one hand, one should consider its cost and effectiveness, while on the other one, the cost of neglecting and undermining what was already achieved. Finally, there is a number of activities that can be seen as helpful for the states in question (ENP) but at the same time falling into the group of activities which stimulate the economies of the EU MS. These activities include the following: transfers of agricultural and food products, transfers of experts, bilateral or multilateral mobilization of financial resources, available in national economies and the EU budget. Following the pattern that was applied in using such sources there should be an international coordination body. This was the case with the Marshall Fund (OEEC) or with PHARE (European Commission).

**Summing up**

The policy advice concentrates on two dimensions of the ENP, i.e. the Eastern and the Southern. Part of the advice addresses activities directed by the Polish diplomacy towards international organizations such as the EU, NATO and the IMF. The other part is addressed to countries included in the ENP. The policy advice distinguishes five types of activities: (1) deterring Russia and supporting the vision of withdrawal from engagement of this state in Ukraine’s annexed territories, followed by territories
in which Russia supports separatist movements as well as military presence of Russia in Syria, followed by provocations on EU/NATO borders (including Estonia, Finland, Latvia, Lithuania, Poland, Sweden and the UK; (2) addressing the problem of refugees; (3) stimulating reforms and pro-democratic and pro-market changes; (4) bringing solutions which can improve the ESI (Economic Security Indicator); (5) financial support of desired changes. In case of Southern dimension – policy advice will follow a different pattern, although some common elements could be clearly found here as in both cases part of the covered territories are in war. In both cases, Russia is engaged. Moreover, Russia applies actions which are defined as hybrid war and such activities are being addressed towards the EU and NATO member-states. Finally, Russia is active in territories covered by both the Eastern and the Southern dimension of the ENP in cyber-war, which is also addressed to EU and NATO member-states. This fact indicates that the ENP, following the guidelines of cyber-strategy applied in NATO and the EU, which are also included in the mutual agreement between NATO and the EU on that issue, signed in October 2016, should include some activities from this specific area. These are: making states more immune to disinformation, increasing protection against cyber-attacks, preparing nations included in the ENP to understand what populism means and to what extent populist slogans can be fulfilled.

All this shows that on top of traditional tools such as support for transformation, building democratic structures and institutions, advancing reforms and laws adjustments, the ENP measures should include other activities. Those should be seen as increasing ties with western regional and global organizations, stimulating growth and development, helping the nations in question to build their democratic capacities, what should be followed by building wealth.

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Poland is bordering with the states covered by the Eastern dimension of ENP what automatically defines the direction of engagement. Keeping this in mind, perhaps more can be done in the Southern dimension. Despite the fact that in political terms both mentioned groups of states covered by the ENP face different problems, some similarities can be noticed, especially in the area of economics and social policy, moreover Poland was seen in the whole process of transformation as a most successful state in the region as far as transformation is concerned. This means that the Polish experience can be applied on a wider scale in other states. This requires selection of the areas in which Poland has established experience and was successful in its own system change after 1989, what should be additionally accompanied by choosing still less areas which could be form a field of cooperation among Poland, Eastern Dimension of the ENP and the Southern Dimension of the ENP at the same time.

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1 This research project has benefited from funding under the Polish National Science Centre (NCN) grant titled ‘European Neighborhood Policy: (multi-level) governance, the reform process and the prospect of enhanced cooperation in the region’, OPUS/HS5, No. 2013/09/B/HS5/04534.
1. Concentration of Eastern Dimension in ENP

Ukraine and Poland have long lasting historic ties. Currently Poland helped Ukraine to join the WTO (2008)\(^2\), Leszek Balcerowicz, the godfather of the Polish success of systemic transformation, works as an adviser of the Ukrainian President, Petr Poroshenko\(^3\). Poland has prepared a number of projects together with Ukraine, which are financed by the Financial Instrument of ENP. They cover such areas as: institutional twinning, education, research and innovation. On wider scale cooperation between the EU and Ukraine covers: free trade, visa liberalization, energy savings, conflict in Eastern Ukraine (including sanctions), humanitarian assistance, anticorruption laws, auditing, organization of central-state control of the use of state money, not mentioning also areas listed as subject of cooperation with Poland. Bilateral cooperation does not solve the problem as countries need to cooperate on wider scale not limiting themselves to the closest neighborhood. This can be illustrated by activities which are conducted beyond the frames of the ENP, namely wider bilateral agreement (1.01.2016 operationalization of DCFTA EU-Ukraine)\(^4\), as well as close and detailed monitoring of the annexed territories\(^5\).

Analysing the Polish foreign economic ties one can say that they are concentrated mainly on markets which are not distanced, what means EU and the EU’s member states, followed by EFTA, what means European Economic Area. EFTA in this specific case should be seen as a specific market which before the Europe Agreement had much bigger share in the foreign turnover than the EEC/EU. In both cases no trade liberalization agreements were signed but neutral EFTA’ns demonstrated more will to establish trade relations with Poland and other Central European states than the EEC/EU. The two markets are still dominating in the Polish economic ties with foreign market. This seems to be in a way natural as Poland is an inseparable part of the internal market.

Nevertheless, EU, within its Common European Policy opens access to other markets as well as offer access to exporters of the third states to its own

\(^5\) European Union provides further satellite imagery support to the OSCE Special Monitoring Mission in Ukraine. European Commission, Brussels, 24 March 2017.
market. Poland is not using all opportunities from that advantages. Ukraine has signed an association agreement with the EU, which has replaced the former PCA (Partnership and Cooperation Agreement) with its Interim part liberalizing trade with the internal market of the EU. PCA agreements were signed with all former Soviet Republics. Why this seems to be important? This means that Poland has access to all those markets (with exception of Russia) what is resulted by reciprocal sanctions imposed on Russia by the USA and EU, what was followed by Russian response putting embargo on imports from the EU member states. Living this specific problem aside it is important to point at the fact that CIS states are supposed to trade freely one with another within the CIS – FTA. On the territory of the former Soviet Union a number of free trade arrangements were established (East European Customs Union and GUAM, what in short was replaced by East European and Central Asian Customs Union. Most of these agreements are not functioning well. How this fact can be linked with this what we are talking about, namely, the ENP and decision concerning the Polish orientation in that policy? The connection is simple here. All mentioned markets have some liberalization institutional ties with the EU, what should be followed by some solutions liberalizing trade among them. Such new ties should be effective, what means not only on paper but first of all in practical use. It seems that such solution cannot be met by CIS, at least at this point, when all the states either quarrel one with another or openly are in a conflict. What can be done here? The EU, stimulated by the idea, given by Poland, could offer a new solution to those economies, namely showing them how they can cooperate one with another and additionally combing into cooperation also the states covered by the Southern dimension of the ENP.

It should be added that some of the states in the east of Poland such Ukraine, Moldovia, Georgia have signed agreements going beyond the PCA. Since 1 January 2016 Ukraine trades freely with the EU\(^6\). This was achieved by including into the conditions along with the Association Agreement – the Autonomous Trade Measures (ATM) – which liberalizes exports from Ukraine to the EU. The ATM liberalizes access to the EU market most of the goods exported from Ukraine. This means that there are new opportunities created by this institutional solution, increasing competitiveness, caused by lower costs of production in Easter states linked with free trade agreements with the EU. Taking the Polish

experience in transformation and creation of conditions for free trade, followed by established relations with the states located on the East of the EU – Poland can come with a number of proposals, initiating them within the ENP and application of the ENP’s financial instrument. They can be of different character starting with a smaller number of states and ending with free trade among all the ENP markets. It is worth stressing that such solutions are partially applied in the relations between the North African states and the EU, covered by the ENP\(^7\).

2. Triangle

Until now the main problem with the ENP is that support within this framework is interpreted as equivalent of future membership what means that one thing (participation in the ENP) eliminated the other one (membership). ENP has shown four flaws, which are mentioned in analysis of the policy applied in practice. Those are: (1) “its failure to mobilize pro-European politicians and to generate political will to actually pursue reforms”, (2) “its insufficient attention for informal power structures”, (3) “insufficient attention for Ukraine’s complicated relationship with Russia”, and the last one (4) “the absence of clear incentives and an unfortunate disharmony between long-term rewards and short-term costs"\(^8\).

This can be seen as a signal for Poland as well as for Ukraine. Both states (and their politicians) have to ask themselves simple questions: what can be achieved by ENP, can it be achieved (how realistic are such goals)? What were the weaknesses of the ENP until now and what should be changed. Limited interest of some of the states (Eastern dimension of the ENP) can be explained by specific perception of ENP as well as limited effects of the applied programs. In some states, politicians in power, don’t see EU and closer cooperation with this institution is seen as a process which leads towards reduction of national competences and in turn state’s autonomy.

This bring us to the point concerning methods which will show that the project is useful, effective and supports the states in building their independence, bringing them closer to the main stream of the economy,


helping the states to accelerate their system changes, accelerates the process and pushes it into a more effective solutions. All this bring the states covered by ENP closer to the EU in economic, institutional, legal and political terms.

In such conditions there is an important role which can be played by Poland, which has to build confidence of the Partners, show them and explain the intentions of the EU and its member states, demonstrate solutions which bring about quick and easily perceived effects, which are approved by most of the citizens. Such approach is crucial when alternative is to end the ENP as ineffective policy and tool. Such solution based on give-up approach is the easiest one. The alternative would be working out a simple plan of helping the ENP states to change. One of such solutions (not the only one that is possible and optional here) will be discussed below.

International cooperation always is tighter when performed by two partners but sometimes, in specific conditions a partner can play the role of a middleman, building confidence among a larger group of states. This can be so when other states can better represent interests or goals, showing the progress they had made thanks to such cooperation. International cooperation is not “a tango”, where one is limited to two partners. In a bigger group states often feel more comfortable and secure. What should be the plan for the Eastern region, which naturally is seen as the main Polish dimension in ENP. First move can be done by creation of really functioning free trade area between the region of post-communist states, located geographically at the territory of the former Soviet Union. This means free trade between Ukraine, Moldavia, Georgia. The three states tried earlier to establish free trade within GUAM. The fourth state is Armenia. The country has Comprehensive Free Trade Agreement with the EU, functioning since February 2017, which has replaced earlier negotiated Association Agreement (2013). In period between 1999–2005 additionally this free trade organization included Uzbekistan. Currently Uzbekistan is a partner of Eurasian Economic Union which came into force on 2nd January 2015.

The free trade should embrace all the states which have free trade agreement with the EU, such arrangement should increase the attractiveness of markets of such economies in attracting FDI. If this would work other markets could be included into that arrangement. At the same time the ENP could be used as a platform preparing banking system, financial market, administration, infrastructure, financial control for closer cooperation in area of production based on FDI coming from different markets: EU, USA, Canada and Asia.
This solution brings us to the explanation why a triangle? The three picks of the triangle are: EU + ENP + ENP states located in the Eastern Neighbourhood Area of the EU. Poland in this arrangement could play a specific role advising such solution and helping to arrange the details of such agreement. This can be also done with support of remaining new EU Member States as well as with the old Members.

The cooperation with western states should be planned in clear cut stages. One of them should include closer monitoring of the states, helping the states in question, to convince the future investors that designed plans of development are being fulfilled with determination and in time. Often investors could be found in less traditional directions such as US, UK, France, Germany or Netherlands, Denmark, etc., the list could also include such states as emerging markets like China, Australia, New Zealand, Singapore, India, Kuwait, etc. It could be also Italy, Spain, Portugal, Ireland. The investors could be also recruited from the group of new Members from the EU like Poland, Czech Republic, Slovakia. This could be also Turkey. Such ideas should be also effectively seeded into the local strategies of the states in question.

Until now the main problem with the ENP is that support within this framework is interpreted as equivalent of future membership what means that one thing (participation in the ENP) eliminated the other one (membership). ENP has shown four flaws, which are mentioned in analysis of the policy applied in practice. Those are: (1) “its failure to mobilize pro-European politicians and to generate political will to actually pursue reforms”, (2) “its insufficient attention for informal power structures”, (3) “insufficient attention for Ukraine’s complicated relationship with Russia”, and the last one (4) “the absence of clear incentives and an unfortunate disharmony between long-term rewards and short-term costs”9.

This means diminishing interest and limited effectiveness. The whole project has to be reconsidered with clear goals and ways to reach them.

### 3. Quadrangle

The positive approach is built upon an assumption that closed doors are only shut but not locked doors. Poland can be one of the interpreters of

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such approach and roads of reaching the goal which is EU membership. This can be done gradually by on one hand showing what Poland was offered and how the primary barriers were eliminated and how to show that each of the mentioned states is an honest and reliable partner, who with efforts can prove that the country can meet all the requirements which are demanded from a future EU member. This can be done by some bilateral arrangements but better to do it in frames of wider arrangements. This was shown by slow evolution from bilateralism towards a triangle. Here the plan is to move further in the similar direction, what means from a triangle to quadrangle.

Action has to be well planned as the support of Ukraine citizens for the closer cooperation with the EU has raise after 2014 (February – 47%) and was rising steadily till December 2014 (72%), while after the end of the year, since 2015 the support can be seen as shaky. In September 2016 it has reached 47%, falling below the 50% threshold. It has to be said that it is higher than before the Crimea annexation in 2014 but changing: from time to time growing, and sometimes falling, what depends on what happens in the EU-Ukraine and EU-Russia relations which are closely watched by Ukraine.

Having achieved the free trade triangle arrangement, trade cooperation of the ENP states could move forward. Direction of that move could be given by plan to include in it also remaining states covered by ENP, namely the Balkans, followed by Mediterranean states included in Cotonou Agreement. This means ENP states, the EU and remaining economies which have free trade agreements with the EU. Following steps could include all the willing states which declare that they want to join. The initiator of such trade arrangements could profit by managing the process and stimulating European institutions in supporting such project financially, legally and by expertise.

Advantages of such process could be seen as multifold: starting with increased attraction for FDI inflow, acceleration of law and institutional harmonization, stimulation of productivity and growth, development of infrastructure, all resulting in increased wealth. All mentioned groups of economies have complementary structures. Free trade arrangement is proved to be a channel attracting FDI, moving production into markets with skilled labor force.

Europe offers special funding for ENP, the financing tool in 2014 was changed. The previously used European Neighbourhood Partnership Instrument (ENPI) was replaced by European Neighbourhood Instru-
ment (ENI). The tool was constructed in such way that it was approving for financing some programs which were following the priorities defined by the European Commission. ENPI was supported by a budget of 11.2 billion euro\(^{10}\). The current Multiannual Financial Framework (MFF) 2014–2020 replaced ENPI by ENI. The amount available in current MFF is 15.4 billion euro, what means increase of the financial sources available for eastern states, what strongly depends on the prepared projects. This instrument is managed by DG Development and Cooperation (EuropeAid).

The change of name of the financial instrument is not the only one change as it was followed by two additional moves, each of different type. On the one hand it was an additional candidate that declared interest in access to ENP, which was Kazakhstan.

The second change was that the European Commission made a decision to call into life the EU Neighborhood Info Centre. The decision was made in 2009. This center is responsible to manage the relationship between the EU and the neighboring states. This Center was planned a place which can work directly with national institutions of the ENP states, creating even shadow institutions which can have direct impact on this what is happening in the state administration, helping to shape the changes and controlling their effectiveness.

Table 1. Areas of EU-ENP state cooperation

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\(^{10}\) The budget was available for period 2007–2013.
There is a number of areas in which Poland was successful in its strategy of transformation, i.e.: opening of the economy for flows of goods and capital, macrostabilization, convertibility, banking sector, development of transport services including international transport, etc. Poland was conducting with Ukraine more projects embracing also a big number of them going beyond the mentioned fields. Nevertheless, thinking about closer cooperation between Poland and Sothern Dimension states covered by ENP, it is advisable to build a triangle between Poland – Ukraine (but also remaining Eastern Dimension ENP states) and selected country or states of the Southern Dimension of ENP. This would be a triangle but quadrangle can be built with participation of EU institution like the ECB, EBI, Trade Directorate of the EC, ECOFIN, etc. It could also include some TNC present on the Polish or Ukrainian market or some states with higher investment or crediting capacities.

4. Method to increase efficiency

The list of areas in which ENP is applied is relatively general, what makes the scope of created frames – wide. This is so when we add problems to solve which fit directly the frames. Nevertheless, we have divided areas in practice into relatively small entities what means that one can include
finances and financial issues into economic matters but another person can say that the problem is beyond such frames. Another example can concern external (foreign) trade. The economic area includes trade but one can say that it is limited to internal, national trade and does not include foreign trade. Foreign trade brings such additional issues as trade in services, intellectual property rights, transfers of capital. None, of the transition economies can built its national economic potential, bring the citizens to higher standards of living without foreign technologies and FDI. Both of the factors stimulating growth are closely intertwined. This means that need to be mentioned in a separate group as an area in which aid should be supplied. This last area should be additionally enlarged by banking. Without competition and effective banking system inflows of capital are impossible. Looking at Ukraine and remaining CIS states which are covered by World Investment Report, it must be said, that Ukraine is perceived as a less risky market in comparison with Moldova or Georgia. After a short period of fall of the inflow of capital to that market after 2014 annexation of Crimea by Russia, the inflow of FDI started to grow again. According the last UNTAD Report on World Investments in 2015 the CIS region attracted in 2015 $35 billion of flows, what shows a 38% decrease in comparison with the 2014. The size of flows show that the region has a 2% share in world FDI transfers, what is not bad as one takes into account the regions capacities of absorption. In the region Ukraine and Turkmenistan were the two economies that noted increase of inflow of capital, while the remaining economies faced withdrawal of investors. Top investments came from Cyprus, US, Ireland, France, Russian Federation, UK, Germany, Switzerland and China. Some of the destinations need a comment, Cyprus being the biggest exporter of FDI to the region shows that the money after process of laundering are returning to the region, labelled as foreign. Not going further into details of source of the capital it is worth saying that Georgia and Ukraine – two states showing desire to cooperate closer with the EU indicate different stage of readiness to do so. Ukraine shows more empathy in preparing itself to that than it could be seen in case of Georgia or Moldova.

Advice for Poland – in this specific area is to help changing the list of areas which can be covered by ENP support. Try to supply advice in the areas which are crucial of effective functioning of the economy, what also paves the way for effective use of the ENP frames with all its tools which are available.
ENP is a tool which can increase efficiency of transformation of the countries which are covered by the policy. The areas of future studies are multidisciplinary. This means that they are not limited only to the field of political economy and embrace also financial, development and sociological issues as well as management and communication ones. All of them are interconnected and form a complex area of political economy. It is worth to remember that political economy spread into a number of disciplines what followed the expansion of knowledge on that disciplines. The list of topics for future research has to show what particular problems seem to be of big importance in those areas and there is need to show how those areas are closely woven and intertwined one with another one, what means that progress in of the discipline pulls the rest, regress has the opposite effect. Regional success, progress in applied models makes the applied solutions more attractive, while crisis, tensions, rejections have repelling effect as far as interests in the cooperative model are concerned.

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1 This research project has benefited from funding under the Polish National Science Centre (NCN) grant titled ‘European Neighborhood Policy: (multi-level) governance, the reform process and the prospect of enhanced cooperation in the region’, OPUS/HS5, No. 2013/09/B/HS5/04534.
The paper tries to give a list and agenda of research – dividing the problems into separate areas and trying to show the connections between them. It also tries to show the limits of the applied policies caused by internal, regional and global occurrences.

1. Economic, financial and development matters

Starting point to the transformation changes is important. Both Eastern\(^2\) and Southern\(^3\) states of the ENP started their system changes in the economy some time ago. Lack of deep advantageous changes after years of conducting them creates problems to continue such process. Nevertheless, in both dimensions some specific features can be seen which can play in medium run positive effect creating advantageous background for the continuation of the changes. Both regions are centers of political and military tensions. In Eastern Partnership we can witness the tensions caused by Russia’s demonstration of power and plans to rebuilt the previous sphere of influence, if that climate can be curbed, the enthusiasm for changes will grow again. Simple to say, much more difficult to do that. In Southern dimension of the ENP, we witness war with Syria, wave of refugees turning to Europe, increasing tensions and dangers, cutting one of newly developed branch of the regional economy (tourism). Again this can end with a similar statement that turn in all the mentioned processes can result in strong support for changes. Nevertheless, they need to be strongly supported from outside, especially in the field of food supply, know how, sequencing of moves and areas in which those moves should be concentrated. Moreover, in both cases, East and South of ENP, the observed political problems have effect of financial problems, what results in falling value of the exchange rate of the local currencies, what is followed by acceleration of inflation and slow down of the economy\(^4\). All in all, people do not see the perspective of political neither economic and financial stability. In such circumstances visible effects can bring support from the regional societies. This could be long lasting if supported by measures which built confidence, otherwise perception will be very simple: one regime wants to replace another one.

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2. Sociological and communication problems

Communication with the society seems to be an important issue which is often overlooked by politicians in the moment they gain support from their voters. Problems rarely can be solved in the light of “being elected by voters a politician or party gains support for all its plans”. Voters need to fill that they are fully informed of what is going on, how effective is the applied strategy, how their interests are met by this policy and when they will see evidence that the plans work in their favor.

This all means that one of the biggest problems is getting support for political action, what embraces at least two main matters: (1) method of communicating what has to be done, how this is done, in which way it is done and what can be the consequence of the undertaken action, what will happen when the action is unsuccessful; (2) method of gaining conviction that things which are planned are the necessary and they are introduced in a responsible and consequent manner.

There is also a third problem, voters need to see that they are represented by those in power. This concerns not only local politicians who need to be in close relation with the voters but also the MP’s as well as government people (central government of the state), as well as representatives who are delegated to international organizations of global or regional character. The communication should be here going into two directions: from voters to politicians and from politicians to voters. It should embrace elements of direct communication as well as indirect ones. This means communication through traditional media, social media, as well as direct meetings. This includes letters, e-mails, messages on twitter, facebook, skype, interviews made by journalists who are popular and trusted by majority of voters. In general people need to have the feeling that they are important in the process of decision taking as well as they are in the focus of the undertaken activities.

Communication is important but cannot be limited to solitaire activity of communication it also requires specific language which is clear in informing and explaining what is done, why and how it is done. Promises of solving problems have to be kept by the politicians. Often it can be done in a set of simple and small steps which are market in a set of activities leading to the well designed and desired goal. In parallel of language it is important to address the information in well chosen time.

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and by those who are trusted and supported. Information cannot be “sold” by a person who lost the trust of the voters. It should not be also communicated by a person who is not convinced that the whole plan will work and will come to a happy end.

Latest campaigns show that often politicians are using post-truth methods and arguments, what means that a person participating in a debate with someone applying such “post-truth” methods needs to be well prepared to that. Round and empty slogans don’t work any longer, people can check all the information quickly (at spot and immediately)\(^6\).

What has to be studied to be effective in creating confidence, trust, support, etc. in a country which was cheated or manipulated by politicians in the past? A list of topics here is relatively long but main information should embrace such problems as: (1) support of the ideas formulated by the leading politicians, (2) methods to keep the support and increase it, not loosing current support, (3) way of presenting the problems (channel, language, methods applied), (4) presentation of the proves indicating effectiveness of the applied methods, etc. The official channels should be supported by direct communication to local leaders, what should be followed by communication of local leaders to people who have elected them. This creates the feeling of being represented and forms a model of inclusive political circle, proving that problems experienced by average citizen is known by the leaders of the country and there are attempts undertaken to solve them.

3. Managerial issues

The whole process of changes has to be well managed what means that the program of changes should embrace the following information:

- What has to change (institutions, laws, financing, macro and micro level perspective, communication between companies and institutions);
- In what sequencing the changes should be introduced (what should be first, what after that first, second move, etc. and what can be done in parallel);
- In what timing those changes should be introduced;

• Who (personally or institutionally) is responsible for specific changes,
• How the process is financed? How to get financial support from internal and external resources, what type of quarantines should be applied here?
• What type of obstacles could be foreseen, which can be considered as barriers to move forwards the process of changes? How to eliminate them effectively?
• How to prepare people to be ready to work for specific institutions and what should be the proportions of national and international experts (what type of international experts can be seen as most advisable and supportive, being at the same time approvable by ordinary, average citizens in a country?

Practice of East Central European states shows that despite a number of ideas how to change the state after 1989, the most successful (read effective method) was attempt to change a big number of things in a relatively short time. This should be planned in details what has to indicate that the process is not conducted in chaos but is imposed according to a well worked out plan and the plan is fulfilled with consequence and with obstinacy. We can list here a number of methods which were applied in different states, what covers among others such: heterodox or orthodox model, gradualism and shock therapy, complex change including political life of a state and economic system or only one of the systems politics or economics. Chinese model shows that changes to a certain extent of advancement can be done in one field, i.e.: economy. This model has its advantages which is lack of transformation crisis but has its disadvantages which is a question how to recognize when the economic reforms should also include the political changes? It becomes clear that parallel model of changes is more difficult but it eliminates such dilemma as the one stated above.

Success of transformation was strongly built by cooperation with other states and international organizations. This cooperation is designed in such way that it helps to manage the whole process with use of so called multi-level system of managements. In such model other states, their experts, international organizations, conditions of membership in them or agreements signed with them can be used as compasses showing which way to move, what speed and supply different type of support and advice: substantive, controlling, financial, expertise, etc.
4. Conditions seen as conducive for introduction of changes and creating disadvantageous climate

Observing states which were able to introduce system changes successfully one can say that even in period when the region was in war (example of former Yugoslavia), some of the states like Slovenia, have withdrawn from the conflict. Withdrawal is difficult as a process, as some there are always some political forces which have interest in fuelling the presence of a country in a conflict. Reasons in such case – why someone wants a country to be engaged in a conflict – are different. Often to most politicians hidden or unclear, moreover to keep a country within the conflict and not letting it to withdraw is achieved by provocations, driving a wedge between states or politicians etc. This shows that withdrawal is possible but not easy. Why the chapter starts with disadvantageous conditions? The East Central European states started their changes in a different climate, which can be said to be more conducive for such processes. Wars and tensions started sometime after 1989, what does not mean that the whole process was smooth and followed a straightforward line leading from the start to its destination. On top of multinational states which went through a process of dissolution there were border conflicts between bordering states which wanted to claim their territories and belongings which were changed by moving directly after the second world war. Poland was in a relatively good position of not having sufficient national minorities, which covered Ukrainians, Germans, Russians, Belarusians, Georgians. This situation was seen at that time conducive to system changes as one of the source of tensions was absent in the state. (Opinion that it was absent does not mean that it did not exist totally, but the scale of the internal conflict based on national minorities was of minor pressure to cause internal tensions).

Even if the country is engaged in a conflict there are always possibilities to start building a peaceful area on part of the territory of the

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7 The conflict in Yugoslavia started in 1991 and the second war in 1993. In the territory of the former Soviet Union 1993 brought about a number of violence. In September-October 1993 Russia – Tajikistan and Russia – Georgia, what was followed by Nagorno-Karabakh and Abkhazia. Most recently 2014 added annexation of Crimea by Russia. The conflict is continued until now.

state and expand peace to remaining parts. The problem is how to design such action and how to conduct it effectively? Who can be seen in such circumstances as a supporter? The last question is important as a number of states or organization see such a situation (of conflict) as a regional tension which can burn out on its own when others, from outside the territory won’t be engaged.

Exclusion of states and their support partially can be replaced by engagement of foreign NGO’s. Additionally one can also expect humanitarian aid embracing food and medical support.

Another option, which should not be seen as alternative but rather as a parallel option, is cooperation between the ENP states, leading towards establishment of FTA, coordination of policies, common projects, etc. This can be done not only in one dimension of ENP, Eastern or Southern but include some mixed activities. Markets of states within the two dimensions of ENP are different as far as applied solutions are concerned or level of development and their economic structures are seen. This means and shows that their economies are complementary what could be seen as condition increasing attractiveness of such markets if they establish FTA for FDI inflows. This avenue of research should be also taken as one of the possible solutions and a topic for research.

What can be read as disadvantage of the ENP in their cooperation with the EU and EU member-states? Trying to answer such question one should underline that both dimensions: Eastern and Southern of the ENP embrace diversified economies. This diversification concerns level of harmonization of laws and institutions, macro-economic indicators, structure of the economy, etc. The more predictable is the behavior of economy and political life of the country – the more advantages are the conditions for external cooperation. The more destabilized the conditions in a country – the lower prospects for attracting foreign partners to come and cooperate, investing or organizing business. What is seen as condition increasing predictability of the economy and politics? Firstly, a country should register positive indicators showing progress in system changes what means attempts to harmonize institutions and laws. Secondly, this should be followed by signs indicating closer cooperation with international organizations such as IMF, WB, WTO, EU, ECB, OECD, etc. States should also be interested in regional cooperation.
Table 1. SWOT Analysis for Eastern Dimension of the ENP

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advancement of the systemic change process in all fields</td>
<td>Lack of consequence in fulfilling plans resulting from length of the transition period, which exhausted the society (long period of transition and limited results)</td>
</tr>
<tr>
<td>Educational skills of people</td>
<td>Often lack of vision what has to be done in the nearest future and long perspective</td>
</tr>
<tr>
<td>Institutional ties with the IMF, WB, WTO</td>
<td>Watered down list of priorities (except Ukraine)</td>
</tr>
<tr>
<td>Established institutional ties with the EU</td>
<td>Bureaucracy</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>Unfriendly attitude towards entrepreneurship and building market economy resulting from inheritance of the philosophy from the communist past</td>
</tr>
<tr>
<td>Developed agglomerations</td>
<td>Low productivity</td>
</tr>
<tr>
<td>The nuts and bolts of banking system</td>
<td>Limited conviction in international cooperation</td>
</tr>
<tr>
<td>Cultural and historic heritage</td>
<td>High distrust to others (within the nation and outside to other, foreign societies)</td>
</tr>
<tr>
<td>Natural resources and conditions like fertile soil, minerals, climate, nature, etc.</td>
<td></td>
</tr>
<tr>
<td>Developed ICT</td>
<td></td>
</tr>
<tr>
<td>Policy responses</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prospects of closer real relations in economic sphere with the neighboring states (EU, Scandinavia, EFTA, Northern dimension of the ENP)</td>
<td>Tensed relations of some of the states in question with the regional/global power (Russia). This concerns Ukraine and Georgia. Tensions result from Russian policy towards those states.</td>
</tr>
<tr>
<td>Close cooperation with the international organizations and their experts</td>
<td>Russia war with Ukraine</td>
</tr>
<tr>
<td>Macrostabilization and its results concerning prospects for FDI inflows</td>
<td>Russia violating the air territories of states in the region as a form of provoking their military arsenals</td>
</tr>
<tr>
<td>Relatively low taxes</td>
<td>Organized crime</td>
</tr>
<tr>
<td>Further development of services</td>
<td>Corruption</td>
</tr>
<tr>
<td>High technical readiness</td>
<td>Low organizational skills</td>
</tr>
<tr>
<td>High IQ</td>
<td>Historic inheritance</td>
</tr>
<tr>
<td>Relatively young societies</td>
<td>Lack of heterogeneity</td>
</tr>
<tr>
<td>High consumption needs</td>
<td></td>
</tr>
<tr>
<td>Big Diaspora abroad</td>
<td></td>
</tr>
<tr>
<td>Individual perception</td>
<td></td>
</tr>
<tr>
<td>Relatively high transfers of remittance from families working abroad</td>
<td></td>
</tr>
<tr>
<td>Limited regional cooperation which can be replaced by closer relationship, followed by coordination of policies in politics and economy, mutual access to markets</td>
<td></td>
</tr>
<tr>
<td>Big opportunities to develop tourist sector</td>
<td></td>
</tr>
<tr>
<td>Underdeveloped banking sector</td>
<td></td>
</tr>
</tbody>
</table>
The SWOT analysis for the Southern Dimension of the ENP indicates that despite a number of weaknesses and threats there are great opportunities in changing the economic and political system in the region. Nevertheless, there are limited chances that the states in question will be able to do that on their own without an external aid: expertise, financial and control how things are performed and what is their timing, do they keep the schedule of planned things which had to be done and are they done in time or with a time lag? Here, in this area the experience of the EU and IMF, WB and remaining international organizations should be taken into account.

Table 2. SWOT Analysis for the Southern Dimension of the ENP

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Close cooperation with the EU and remaining international organizations such as IMF, WB, WTO</td>
<td>Limited real relations with the world economy (limited trade)</td>
</tr>
<tr>
<td>Institutional ties with the world economy</td>
<td>Limited FDI inflows</td>
</tr>
<tr>
<td>Diversification of states in the region</td>
<td>Refugees</td>
</tr>
<tr>
<td>National heterogeneity</td>
<td>Unstable financial systems</td>
</tr>
<tr>
<td>Policy responses</td>
<td>Shortage of food supply revealed in the Arab Spring Revolution</td>
</tr>
<tr>
<td></td>
<td>Low ICT</td>
</tr>
<tr>
<td></td>
<td>Low educational level</td>
</tr>
<tr>
<td></td>
<td>Historic inheritance</td>
</tr>
<tr>
<td></td>
<td>Media and communication</td>
</tr>
<tr>
<td></td>
<td>Corruption</td>
</tr>
<tr>
<td></td>
<td>Crime and police response</td>
</tr>
<tr>
<td>Opportunities</td>
<td>Threats</td>
</tr>
<tr>
<td>Refugees and emigrants stationed abroad</td>
<td>Region is in war</td>
</tr>
<tr>
<td>Policy of rebuilding destroyed agglomerations</td>
<td>Instability political and economic</td>
</tr>
</tbody>
</table>
Deep disproportions between educated and uneducated people which shows need to invest in education system  
Underdeveloped services  
Underdeveloped production infrastructure  
Underdeveloped infrastructure  
Big opportunities for developing tourist sector  
Diaspora spread over the whole world  
Remittances sent back home  
Cooperation with the Eastern dimension of the ENP  
Raw materials  
Underdeveloped banking system  
Conditions for tourism development  
Financial engagement of China in the region  
Youth population  
Individual perception  
Structural reform  
Regional cooperation  
Impact of transition on wellbeing  
Financial inclusion  
Changes of the per capita income

Source: own arrangement.

SWOT analysis for the Northern Dimension of the ENP shows that despite the fact that the states in question here have had longer institutional ties with the Member States of the EU – their depth of changes and advancement of the system change is limited in comparison with the Eastern Dimension of the ENP. At the same time both dimensions (the Eastern and Southern) have a number of features which can be seen as common. Those are ties with the EU and remaining international organizations, some raw materials which can be seen as subject of trade in the starting stage of relations, etc. They have also relatively big opportunities in closer cooperation as both dimensions and states included into the model of cooperation show strong differences which can be seen as feature that can be used to build upon it closer economic ties supporting changes in the two ENP dimensions and making use of natural complementarity of the two economies.

There are relatively vast opportunities in increasing the dynamics of per capita income in both dimensions of the ENP. The indicator is higher than average in a limited number of states and their economies. It is
higher than average for such states of the Southern dimension of ENP: Jordan, Turkey and Tunisia. It is lower than the average in flowing states of ENP: Ukraine, Moldavia, Kazakhstan, Uzbekistan, Armenia, Tajikistan. The sources of wealth of billionaires in the EBRD region show that in overwhelming cases it is commodity production (56%), finance and entertainment and other sectors (30%), retail and manufacturing (7%), innovation IT (2%), agriculture (5%). Although there a deep discrepancies observed within the group of states, which also includes the new Members of the EU, but knowing the trend in OECD developed economies, one can say that close cooperation between the two dimensions build upon cooperation with the EU is advantageous for both dimensions of the EU states as all mentioned states represent different skills of labor force, different branch structure of employment and production as well as different sources of wealth. There is also a big difference in changing the pattern of value added production within the partners of ENP, i.e. EU member-states and the ENP states in Eastern and Southern dimensions. All mentioned conditions indicate vast opportunities in economic cooperation, which can bring fast economic and political changes, when approved and put into life as a direct goal of system changes. Enough to quote the findings of the Report presented on the G-20 Istanbul Trade Ministers Meeting (6th October 2015) on values added and trade, where it was stated that: “most trade today is in intermediate inputs – 50% of goods trade and almost 70% of services trade. It is critical to introduce new forms of protection but also to commit to wind back restrictive measures that prevent firms from importing and exporting”.

5. Politics or economy or both at the same time

The question concerning complex or selected problems included into the system changes is resulted by the fact that in practice we can find

10 Ibid., p. 19.
different models of changes. The ENP states in both dimensions Eastern and Southern are differentiated as far as political and economic systems are advanced in their changes. This fact, as was mentioned before, can be inspiring for accelerating changes, when the ENP states start to cooperate one with another. They can use their own experience in creating own solutions for changes. Analyzing level of liberalization internal and external of the economy, states here show big differences. Similar opinion can be coined when one looks closer at their level of development, economic structure, education and quality of labor force, productivity and advancement of the political changes, party systems, effectiveness of the governments. All this shows that no matter what model of changes a country will adopt it seems wise for the states in question to cooperate closer together. States from Eastern dimension have a number of clear comparative advantages over the Southern dimension states of ENP and vice-versa, in other areas Southern dimension states of ENP have comparative advantages over Eastern dimension ones. None of the states from the group has inclinations to dominate the region and show the political leadership, subordinating the rest of the states and fulfilling national, egoistic interests. Togetherness of the states will help them to feel in external relations much stronger than working individually with the international organizations and states outside the region. It can be also an incentive helping to define what model of changes seems to be optimal for each country as they come to pick a best suiting model for themselves. There are two or even three options, what means choosing among:

- Solely economic system change and staying in politics with unchanged, semi-democratic and semi-totalitarian system;
- Changing in parallel economic and political systems;
- Changing political system as economic system is close to the model of market economy and with advancement of the reforms it can fully match the market model requirements.

In case of the first solution a number of safeguards should be introduced. Those safeguards should indicate how long a leader (head of the state or head of the government) should be in power, just in order not to allow him to transform a democratic position into a totalitarian post, enabling to keep the power “forever” and make it ancestral. All this means that there is strong need to introduce legal and institutional regulations which clearly say which political posts have to be changed and on what
conditions, defining conditions of rotation on that posts precisely and showing the agenda of changes of posts in the whole administration, what should be designed in such way that dates here should be overlapping. The sequencing of such changes should guarantee that all existing political powers as well as new, emerging ones could be included in the process of competing for the posts with equal rights to be elected. This also means that media should be free and not subordinated to one, leading political power. Subordination of media to one concrete and leading political power creates conditions of a vicious circle when representatives of one party are replaced by representatives of the same party and there is no space to make deep personal changes.

There is need to show which laws have to be changed and in what way in order to eliminate mentioned dangers. Undemocratic run is observed in a number of states recently, what can be illustrated by Turkey (Recep Tayyip Erdogan’s referendum and creating from a democracy a totalitarian system), Hungary (Victor Orban and his changes of media, Hungarian Central Bank, courts) and Poland (with J. Kaczyński as leader of Law and Justice Party and a Deputy to Seym13, who is not holding any official post but instructs the President and Prime Minister). The laws in the three mentioned states were constructed according to laws, which were tested in elder democracies. The institutions and laws were harmonized following the patterns of the EU laws and laws applied in the EU member-states. Nevertheless, practice has shown that it was not difficult to replace them by new regulations, which introduce control over media, legal system, non-governmental institutions, giving power over them to the government. This means that some politically neutral solutions are replaced by new ones which eliminates this neutrality and creates conditions helping to subordinate the posts to the ruling party.

The mentioned examples show that in order to eliminate such option or make it much more difficult to follow one needs to have more detailed instructions what and how has to be designed in case of legal arrangements and institutions. This shows also a political and legal line of topics which have to studied. Showing from whom there is need to learn and how to design the new and effective regulations which can be seen as helping to create a stable democratic system, eliminating also temptations to change into a tool in hands of totalitarian politicians.

13 Seym – the name of the lower chamber of the Polish Parliament.
6. Conclusions

The paper argues that despite certain practical experience in system changes gained since 1989, there is still space for new findings and studies. Economic and financial matters seem to be the easiest task of the design of changes but this does not mean that it is easy to introduce them. The important issues here are methods of convincing people to support the reforms and this problem is directly linked with communication skills and methods used in the process of communication, what includes language, channels of communication and method of communication. There are no doubts that communication has to be done in transparent form, openly and in a way which can reach all citizens. Next issues is ascribed to management of the process and reporting what from the list of “thing to do” was done and how this process can be checked against the planned timing for it. Topics for further research include a list of things which have to be done, control of the process, communication to voters and support of voters in return. They also show the complementarity of states which are the EU members and those embraced by the ENP policies in the two dimensions (Southern and Eastern). The list which is seen as helpful in constructing the priorities for current model of system change embraces also two SWOT analysis each made for one of the dimensions of the ENP.

Bibliography


The value of this research-project derives from four sources. These include: timeliness; novelty with regard to the conceptual framework; novelty with regard to the methodological approach employed; and its potential empirical application (policy-advice).

**Timeliness:** This research-project constitutes a timely contribution to the debate on ENP and its efficiency. On the one hand, the findings of this project will contribute to the academic debate on ENP, thus shifting this debate toward new avenues of research. On the other hand, granted the uncertain results of the 2011 revamping of the ENP, what was followed by further changes in 2015, all bring valid concerns of the developments at the EU’s southern and eastern fringes, this study inserts itself into the mainstream of developments and mainstream debates.

**Conceptual novelty:** The novel conceptual and theoretical approach to the study of ENP likely sheds light on issues, developments and processes that have not much been addressed yet in the otherwise rich literature on the subject\(^1\). Specifically, at the conceptual level, this research-project seeks to develop a governance approach to the ENP, which in essence suggests a valid attempt to stretch the concept of governance beyond the EU’s borders. Moreover, the EU is seen as an actor proposing line of changes, approving the programs submitted by Partner-States, controlling what was done from the list of proposals. The EU’s role does not end at that point as it also coordinates cooperation of the Partner states and introduces new players from outside of the region. Developing a governance approach to the ENP presupposes that a variety of con-

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\(^1\) The Exception from that was writing of Katarzyna Żukrowska, concerning institutionalization and multilevel governance.
ceptual and theoretical linkages be established in a valid manner. Importantly, due to its focus on processes of transition and transformation this research-project hopes to contribute to the still nascent theory of (political) economy of transformation\textsuperscript{2}. Granted interests and preferences as well as ideas will be accounted for in the conceptual framework employed for this study, it is expected that an ideational twist will be added to the theoretically and practically focused debate on (political) economy of transformation.

**Methodological originality:** The comparative approach employed for the examination of the ENP in view of fostering the processes of reform and change seen as a projection of the EU’s capacity to govern represents a unique feature of this project. Importantly, the governance approach to ENP has not been employed in the literature on the subject yet. Therefore, this comparative approach embedded in the broader conceptual framework of governance approach grants this research-project a competitive edge. It locates this project and the research-outcomes it will produce at the spearhead of the debate on the ENP, on EU’s capacity to govern, and on the EU member-states role in it.

**Empirical purpose:** Given the theoretical and empirical insights that this research-project is bound to produce, the research-outcomes will be useful both for the academia as well as for the policy-makers. Built on the recognition that academic writing differs from analytical work of think-tanks, this research-project – depending on the issue and its relevance – will produce both academic papers and policy-advice.

The whole research-project consisted of six parts, whereby each of them upheld thematically different aspect of the ENP. In its own specific way, each part was seeking to add to the puzzle of the ENP’s potential to promote inclusive growth and development and to the question of the EU’s capacity to govern in context of the ENP. The book covers only two of the aspects which were mentioned in the project. The remaining four were already published.

The first part of this research is devoted to the broad question of whether the 2011 renewed approach to ENP can produce meaningful results across the EU’s southern and eastern frontiers. To this end,

\textsuperscript{2} In this research-project the concept of (political) economy of transformation will be employed. It is argued that in contrast to the emerging literature that refer to (political) economy of transition, the emphasis given to the term transformation allows to capture the meaning of the processes of systemic change (comparable to those in Poland in the 1990s) in a comprehensive manner.
a benchmark is established in that the degree of attainment of the ENP’s goals and objectives prior to 2011 is mapped. This benchmark includes variables depicting macroeconomic indicators, democratization index, liberalization index, good governance index, freedom index etc. The qualitative focus of this part of the research is directed at the question of where (i.e. which direction) the revamped take on ENP is likely to lead this policy-framework and to which extent its structures, dimensions, actors involved with it, mechanisms etc. are conducive toward fostering processes of reform and change at the EU’s frontiers.

The results of the research are fresh, updated and timely. They can be used as policy advice in the area of transformation of both Eastern and Southern Dimensions of the ENP. They can be seen as important insights, which can be helpful in solving the problem and helping to form policies addressing the issue of refugees. The approach shown in the book is complex. The problem is studied from the point of interest of the Partner-states, showing them the way how to apply new, multilevel governance, in which some important leverages go beyond the national borders of a country, which has plans to change. On the other hand it also addresses what has to be taken into account in process of such deep and complex changes, which solutions are seen as most effective and which are seen as slower and rather leading nowhere. The main advantage of the concept presented here is that actors use Soft Power and invite players from outside the region.

It has been suggested in the literature that ENP’s success “depends on the EU’s ability to engage with the socio-cultural process of constructing a region”. Taking this argument as a point of departure, the second part of this research-project examines factors that have direct bearing on the process of constructing a region at the EU’s eastern and southern frontiers. These factors include: (possibly conflicting) visions of ENP that the variety of actors involved in it develop; interests and preferences that these actors seek to promote thorough the ENP framework; processes of deliberation and negotiation; and, eventually, historically-determined ideas of Eastern Europe and of Southern Mediterranean. On a different count, it is argued that the process of ‘constructing a region’ beyond the EU’s frontiers is conditioned by broader geo-strategic and geo-economic considerations, such as for instance the Arab Spring or the eurozone crisis respectively. In this context, another question that needs to be posed is whether the EU’s ‘power of attraction’ and the derived from it concept of ‘soft export’ of influence is still valid today. That is, is the EU still able
to influence its neighbors? How to conceive of the EU’s ability to effect change in the realms of policy, politics and polity in the region? What is the EU’s capacity to engage with ‘soft export’ of influence?

In the next move, the argument addresses the question of which lessons can to be learnt from current experiences with the ENP and which things should to be avoided as a means of improving the prospect of inclusive growth and development in the region. Specifically, the research-focus in this part of this project is directed at such issues as: challenges, opportunities and prospects of enhanced intra-regional cooperation, FDI flows, and the diverse modes of governance that render ENP a unique policy-framework aimed at incremental establishment of a novel platform of cooperation at the EU’s frontiers. In this context, another question that is raised is whether any lessons can be learnt from the socio-cultural cooperation seen as a component of the ENP. Finally, against this broad background, the argument turns to the question of whether the ENP framework produces a fair and balanced approach to its Southern and Eastern Dimensions. In either case, the answer to this question allows to draw cues on the weaknesses and strengths of the ENP framework.

Having solved the above problems, the researchers engaged in the project address the question of how to improve the efficiency of the ENP, whether to this end the EU and its member-states could capitalize on their prior experiences and what implications it bears for the EU individual member-states. To this end, relevant experiences will be identified and their relevance validated. It is argued that in order to improve ENP’s efficiency, experience of the EU’s cohesion policy should be appreciated. In an similar manner the process of liberalization that the ENP presupposes should be highlighted in that, as it is argued, external and internal liberalization serve as transmission belts of democratization and political stability. In other words, liberalization is fundamental in view of attaining ENP’s goals and objectives. Finally, it is suggested that in order to improve ENP’s efficiency, and in particular to constructively add to its goal of supporting transition and democratization of countries included in the ENP, it is mandatory to reflect on the CEE’s experience with successful transition and transformation. In this context, the discussion in this project will turn to the question of whether ENP offers an opportunity for individual member-states to recast their role in the EU (Poland in focus).

Finally the presented argumentation upholds theoretical questions pertinent to this research-project. That is, throughout the implementa-
tion of this research-project attention will be paid and effort will be devoted to establish/build a meaningful theoretical/conceptual framework designed to frame the variety of issues and processes, actors, interests and preferences that condition the efficiency of the ENP. In this sense, this research-project develops a governance approach to ENP. Moreover, due to the fact that this research-project focuses on the transformation-liberalization nexus, it will add to the nascent theory of (political) economy of transformation.

The broad empirical focus of this study was framed by relevant theoretical approaches, including: comparative politics, governance, rational-choice institutionalism, constructivism, and discursive approaches. By employing the concept of governance, the notion of (formal and informal) structures of deliberation, negotiation and agenda-setting will be highlighted in order to be transposed to the context of EU’s impact on its ‘near abroad’. At this stage the concept of Europeanization was introduced to stress that the efficiency of ENP mirrors the EU’s capacity to reorient the direction and shape of politics so that the EU become part of the underlying logic.

By establishing a nexus between the governance approach and Europeanization and by linking them to the concept of ‘empowering’, a space was opened to discuss the determinants and limits to the EU’s ability to effect change in the realms of policy, politics and polity across its Southern and Eastern frontiers. The notion of the reforms was brought to the fore in this context.

From a different vantage point, due to its focus on ideas, interests and preferences, the project offered a novel approach to the question of stimulating economic reform process and democratization beyond the EU’s frontiers. To this end, by establishing a nexus between the above theoretical approaches and insights from the processes of transition and transformation, this project will enrich the still nascent theory of (political) economy of transition. Throughout the implementation of this research-project, effort was made to identify issues and problems of interest to the Polish policy-makers in view of producing relevant policy-advice.

Specifically, this research project employs a mixed method approach combining quantitative and qualitative indicators as complementary in the discovery process. The quantitative data (largely statistics) will be obtained via specialized portals run by the IMF, the EU, OECD etc. The qualitative indicators have been obtained via analysis of official docu-
ments issued by actors engaged with the ENP. These was enhanced by focused/semi-structured interviews with individuals involved in the ENP implementation (including domestic and EU-level actors as well as representatives from the beneficiary countries) as well as by the analysis of discursive interventions and narratives framing the implementation of the ENP both at specific domestic-levels as well as at the EU/ international level, if relevant.

To account for change introduced to the ENP framework by the 2011 attempt at revamping ENP, a benchmark was established so that a meaningful comparison between the ENP’s achievements prior to 2011 and after the 2011 change were made. In a similar manner, in order to identify the mechanisms inherent in the thick layer of (formal and informal) structures of governance behind the ENP, the Eastern and the Southern dimensions of this policy-framework were compared. To this end, dimensions of comparability was established in order to ensure that this research was not about ‘the juxtaposition of apples and oranges’. Accordingly, the similarities and the differences between the Eastern and Southern dimension of the ENP were successfully identified, explored, and their relevance appreciated.

From a different vantage point, as a means of exploiting the quantitative and qualitative data, the project was drawing on rational-choice institutionalism to account for the processes in which actors pursue their interests and preferences, while the existing institutional settings created opportunities and constraints. In order to account for the mechanisms of governance underpinning the implementation of the ENP in its two very specific contexts, i.e. the eastern and the southern dimension, rational-choice institutionalism will be strengthened by employing insights from the governance approach. The governance perspective is able to link policy-making and institution-building; it re-introduces the competition for political power into the analysis; it allows for discussion of normative issues of a good political order for the EU without losing contact with empirical research on how political life in the EU actually functions. Furthermore, the governance approach was more than useful for comparative analysis that this research-project included. In this manner, the governance approach allowed for accounting for differences in terms of political conflicts, political outcomes, and problem-solving

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3 This is feasible due to the professional network at the disposal of the individuals responsible for the implementation of this project.
Conclusions

Finally, constructivist approaches will be recalled as a means of emphasizing the role of the ideational factors in the pursuit of actors’ interests. In this way, the dialectical complex relationships that emerges between the actors pursuing their interests and the conditioning influence of the material and ideational structures in this process. Moreover, constructivism offered a twist to discourse analysis that lies at the heart of the qualitative analysis. Overall therefore, while at the empirical level this project aimed at addressing the question of the EU’s capacity to govern and thus seeks to contribute to a more comprehensive understanding of the development of the Euro-polity, at the theoretical level this research project and it has thrown new light on the theoretical debate on European integration and contributed to the emerging theory on (political) economy of transition.

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