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Legacies and Leverage: EU Political Conditionality and Democracy Promotion in Historical Perspective

FRANK SCHIMMELFENNIG & HANNO SCHOLTZ

Abstract

Previous studies have established strong and robust effects of EU political conditionality on democracy in the neighbouring countries. We test these effects against the claim that historical legacies condition the likelihood of successful democratisation—and possibly the EU's political conditionality as well. Based on a panel study of 36 countries of the Eastern and Mediterranean neighbourhood of the EU between 1988 and 2004, we show that cultural legacies of religious civilisation are indeed conducive to or inhibit democratisation, and reduce the effects of political conditionality, but they do not explain away the EU's role in promoting democratic consolidation.

ENLARGEMENT IS OFTEN PORTRAYED AS THE MOST SUCCESSFUL foreign policy of the European Union (EU). The attractiveness of membership and the strict political conditionality attached to it have vested the EU with considerable transformative power in the applicant countries. After the breakdown of Soviet communism and its hegemony in Eastern Europe, enlargement has been credited with making a significant contribution to economic recovery, peace and stability as well as democratisation in the region.

In recent years, the comparative study of EU democracy promotion has become the subject of several book-length studies (Kelley 2004; Kubicek 2003; Pridham 2005; Schimmelfennig *et al.* 2006; Vachudova 2005). These studies concur on a number of substantive findings regarding the effectiveness of EU democracy promotion. Above all, they agree that the use of accession conditionality has been paramount. First, political accession conditionality, that is, the credible prospect of becoming an EU member after thorough democratic reform, has been the most effective of the EU's strategies and instruments. Second, while to be fully effective, even highly credible accession conditionality requires favourable political conditions in the domestic arena of target countries, it has proven to be a necessary condition of successful EU democracy promotion. And while this literature would not claim that EU accession

conditionality was more important than domestic conditions of democratisation, it demonstrates that in many cases the Union's external incentives have been instrumental in overcoming domestic obstacles to further democratic reform.

In a recent article, we put these analyses to a demanding test (Schimmelfennig & Scholtz 2008). First, we controlled for economic development and diffuse transnational influences as major alternative sources of democratisation in the European neighbourhood. Second, we expanded the time and scope of these analyses by including 36 countries of the 'European neighbourhood' and thus almost all ex-communist and Mediterranean countries from the late 1980s to the beginning of the twenty-first century. Finally, in order to cope with this expanded dataset analytically, we moved from qualitative, comparative analysis to panel regression. The study showed that EU accession conditionality is a strong and significant factor in the democratisation of the European neighbourhood—even if the entire region is taken into account and if core alternative explanations are controlled for—although the effects become weaker and inconsistent if the EU offers less than membership.

Thus, in general, existing analyses of EU accession conditionality focus on contemporary factors such as the size and credibility of EU incentives, the domestic political costs of compliance for the governments of neighbouring countries, or the constellation of parties or veto players. They do not take historical legacies into account. They do not control for historical experiences or predispositions that may contribute to the EU's readiness to offer membership on the one hand, or facilitate democratisation in the neighbouring states, on the other. In a challenge to these approaches however, Grigore Pop-Eleches has claimed in a recent article that external conditionality (and other contemporary conditions) 'played a relatively modest role in explaining democratisation patterns beyond the constraints imposed by historical legacies' (2007, p. 908). In this essay therefore, we take up the argument of Pop-Eleches and expand our previous analysis to include various historical legacies as control factors for EU conditionality.

In a nutshell, we aim to show that our claim that EU political conditionality has a robust effect on democracy in the European neighbourhood survives the legacies challenge. Of the four cultural and institutional legacies we test, only the cultural legacy of (religious) civilisation shows a consistent correlation with levels of democracy. The conditional offer of EU membership still remains a significant factor of democratisation—albeit with reduced strength. We thus conclude that, whereas fundamental cultural dispositions play an important role in the democratisation prospects of EU neighbouring countries, either as an independent facilitator of democratic consolidation or as a moderating factor for EU democracy promotion, the use and effectiveness of EU political conditionality are far from being determined or made redundant by historical legacies.

The essay is organised as follows. In the next section, we present political conditionality as a mechanism of democracy promotion, contrast it with two alternative mechanisms of democratisation (economic development and transnational exchange), and discuss how various historical legacies fit into the picture. The subsequent two sections present the design of the study and a discussion of the results.

*Mechanisms of democratisation and historical legacies**Political conditionality*

In using political conditionality, the EU sets the adoption of democratic rules and practices as conditions that the target countries have to fulfil in order to receive rewards such as financial assistance, or some kind of institutional association, or—ultimately—membership. EU conditionality is mainly positive, that is, the EU offers and withholds incentives rather than imposing penalties (Smith 2001; Youngs 2001, p. 192). Countries that fail to meet the criteria are simply denied assistance, association or membership and left behind in the competition for EU funds and for accession. The most general political conditionality hypothesis can be stated as follows: *the level of democracy in the neighbouring countries of the EU increases with the size and the credibility of the EU's conditional incentives.*

In general, adopting liberal political norms (such as human rights, democratic elections, open contestation for office and the rule of law) constitutes a loss in autonomy for the target governments. These political costs need to be balanced in kind by tangible incentives such as military protection or economic assistance to improve the security and the welfare of the state. In addition, effectiveness will increase with the size of the incentives. Accordingly, the promise of enlargement should be more powerful than the promise of association or assistance, and the impact of the EU on candidates for membership should be stronger than on non-candidates. Only the highest international rewards—those associated with EU membership—can be expected to balance substantial domestic power costs.

Finally, conditionality needs to be credible (Schimmelfennig & Sedelmeier 2004, pp. 665–66). First, the EU has to link rewards explicitly to the political conditions. Second, it needs to act on these conditions by withholding rewards in the case of non-compliance and, conversely, delivering rewards in the case of compliance. As we will show in more detail below, the size of rewards and the credibility of threats and promises have varied widely across EU relations with non-member countries and over time. In sum, we claim that the impact of the EU on democratisation in the neighbouring countries will be a function of the size and credibility of the rewards it offers in return for increased democratisation.

Economic development

According to modernisation theory, democracy is a function of the level of social and economic development of a country. In his pioneering work, Seymour Martin Lipset studied the social conditions or 'requisites' that support democracy and identified 'economic development', broadly understood as a syndrome of wealth, industrialisation, urbanisation and education, as the most important requisite. Economic development goes together with better education, less poverty, the creation of a large middle class and a competent civil service. It thereby mitigates the class struggle and promotes cross-cutting cleavages. In addition, it nurtures a belief in tolerance and gradualism and reduces commitment to extremist ideologies. In sum: 'The more well-to-do a nation, the greater the chances that it will sustain democracy' (Lipset 1960, p. 31).

The relationship between economic well-being and democracy has been tested on the basis of various indicators and methods, and in comparison with many alternative factors, and has proven highly robust (Diamond 1992; Lipset 1994). More recent analyses have sought to disentangle the correlation between economic development and democracy—whether economic development brings about or rather sustains and consolidates democracy¹—and the causal mechanisms linking the two (Acemoglu & Robinson 2006). However, they have all left Lipset's main correlation intact (Boix 2003; Inglehart & Welzel 2005; Epstein *et al.* 2006). As a mechanism that emphasises domestic, societal and bottom-up factors of democratisation, economic development provides the starkest contrast to political conditionality, an international, political and top-down mechanism. We thus hypothesise that: *the level of democracy in a country increases with the level of economic development.*

Transnational exchange

Even if one accepts that democratisation does not only depend on domestic conditions but is also conditional on international factors, one may still doubt that intergovernmental organisations and their political conditionality are the most relevant factors. Democracy-promoting influences may also stem from transnational relations, that is, cross-border interactions and exchanges, in which at least one actor is non-governmental. Just as in economic development, democracy promotion is predominantly societal and bottom-up, but at the same time, international rather than domestic (Levitsky & Way 2005). Channels and instruments of transnational exchange can be highly diverse. They comprise economic exchanges such as trade and investment; personal interactions through various means of communication, tourism and academic exchanges; and cultural and informational influences from the media, churches or cultural performances.

The effects of these interactions and exchanges on democratisation are diverse as well. Some of them are direct and short term in the sense that they have an immediate impact on the political struggle between pro-democratic and anti-democratic forces in the country. Newspapers and broadcasts from abroad and external financial and technical support for opponents are examples. International demonstration effects generated by successful democratic transitions in another country may encourage the democratic opposition and counter-elites to push for democratisation. Other effects, however, work indirectly and in the longer term. The intensification of trade, for instance, may make society more affluent and induce societal groups to demand civil liberties and political rights. It also brings people from established democracies in contact with people from non-democratic countries, thus facilitating the spread of ideas and change of attitudes. The same can be expected from non-economic interactions such as cultural and academic exchanges, increasing the level of education as a social requisite of democracy or constituting a channel for transmitting beliefs and desires that favour democratisation. As a general hypothesis subsuming the various channels, instruments and effects of transnational exchange, we propose that the *level*

¹On this see the differing views of Przeworski *et al.* (2000) and Boix and Stokes (2003).

of democracy in a country increases with the intensity of the transnational linkages that it entertains with democratic countries in its international environment.

Historical legacies

In order to explain variation in democratisation, historical legacies can be understood in two main ways. A strong theory of historical legacies would regard them as the fundamental conditions of democratisation. In this perspective, the demise of communism and the end of Soviet hegemony removed the main obstacle for deeply rooted historical predispositions and trends to unfold and shape the subsequent trajectory of social and political change. What is more, such historical legacies may also condition the instruments the EU uses in order to promote democracy in its neighbourhood. In this view, close relationships from the pre-communist period as well as historical membership in the European system of states dispose the EU towards offering membership rather than lesser forms of association. In a weaker version, historical legacies do not drive democratisation and democracy promotion as such but facilitate or impede their effectiveness. Favourable legacies facilitate economic development, transnational exchanges as well as conditionality.

In our analysis, we focus on cultural and institutional historical legacies.² The cultural legacy argument is based on the assumption that religious and other cultural traditions and beliefs are differentially conducive to democracy. On the one hand, protestant countries and those with a strong enlightenment tradition are thought to have the highest likelihood of rapid democratisation and consolidated democracy (Lipset 1960). Muslim countries, on the other hand, are believed by many to present strong religious and cultural obstacles to democracy. They have indeed been particularly resistant to the waves of democratisation that have rolled through the international system (Huntington 1991; Lewis 1996). Following Huntington's classification of civilisations, we thus assume that *Western countries are most likely to reach high levels of democracy, followed by Orthodox countries, whereas Muslim countries are least likely to democratise.*

Institutional legacies are manifold. First, the neighbouring countries of the EU have historically been part of different colonial or multinational empires and subject to their institutional, legal, administrative and political traditions. That imperial legacies leave their imprint on the independent successor states has, for instance, been shown with regard to the dissemination of Westminster-type democracies in former parts of the British Empire (Lijphart 1999). In a similar vein, we suggest that former parts of the Russian and Ottoman Empires bear the imprint of autocratic traditions, whereas the former parts of Western and Central European Empires inherited the rule of law, administrative and to some extent even democratic traditions that make it easier for them to adopt and sustain democracy in present times.

Second, countries with a legacy of independent statehood can be assumed to be in a more favourable position than those that lack this tradition and experience. Finally, countries have been differentially exposed to Soviet communist rule. Whereas some

²These legacies proved to be correlated most strongly with post-communist political trajectories in Pop-Eleches' study (2007, p. 913).

had been in the Soviet Union from the beginning, others became part of the USSR during or after World War II. Still others belonged to the Soviet hegemonic sphere but not to the Soviet Union itself. In line with the ‘Leninist legacies’ argument of Ken Jowitt (1992), long and direct exposure to Soviet communism should have a detrimental effect on post-communist democratisation. We therefore hypothesise that *levels of democracy are likely to increase with Central European imperial legacies, shorter and more indirect Soviet rule, and with the duration of independent statehood.*

Design

It is the main purpose of this analysis to replicate our previous study of democracy promotion in the EU neighbourhood with legacy controls in order to see whether we still find strong and significant effects of EU political conditionality. We therefore set up the analysis as closely as possible with Schimmelfennig and Scholtz (2008).³ The study covers 36 countries of the EU’s neighbourhood from 1988—just before the start of the ‘fourth wave’ of democratisation in Eastern Europe. The countries comprise the ex-communist countries of Central and Eastern Europe as well as the EU’s Mediterranean neighbours in Northern Africa and the Middle East.⁴ The dependent variable ‘democracy’ is measured by the Political Rights rating of Freedom House.⁵

The starting point of the analysis is a baseline model without legacies (see Table 1 for our index of political conditionality, the main test variable).⁶ The size and credibility of incentives refer to the time during which they were offered to the target countries as the highest available incentives in principle—not when association or accession negotiations started. They remain valid even after the target countries have been granted association or membership because treaties with third countries can be suspended and members can be deprived of their voting rights when they violate fundamental democratic norms.

In 1988, the starting year of our analysis, the Eastern European countries were generally without any tangible incentives provided by the EU (0). Before the launch of the Barcelona process in 1995, EU relations with the Mediterranean countries were conducted under cooperation agreements with minor tangible incentives and no political conditionality (incentives/credibility = 1/0). Since the early 1990s, political conditionality has been a general feature of the EU’s external agreements; but they still differed with regard to the credibility of the threats and promises attached to them.

³Also, see Schimmelfennig and Scholtz (2008) for technical details as well as robustness and sensitivity checks.

⁴Our observations relate to countries according to the political boundaries of 2002. To avoid sample-biased results in the comparison of different mechanisms, we tried to obtain a rectangular dataset. We describe newly independent states with the values of the faded super-structure. Because of severe data problems, however, we dropped Libya as well as the Palestinian Authority (West Bank and Gaza) from the analysis.

⁵Data are available at: <http://www.freedomhouse.org>, accessed 9 January 2010. To obtain interpretable results, data are reversed to a scale from 0 (no democracy) to 6 (full democracy).

⁶This conceptualisation is more fine-grained than the common dichotomous classification of candidates and non-candidates (Kurtz & Barnes 2002; Pop-Eleches 2007) and also takes into account changes in status over time. However, as we will show, the dichotomous classification captures the most relevant variation.

TABLE 1
INCENTIVES IN EU POLITICAL CONDITIONALITY

		<i>Credibility of incentives</i>		
		<i>0</i>	<i>1</i>	<i>2</i>
<i>Size of incentives</i>	0	No tangible incentives: <i>relations with Central and Eastern Europe before 1989</i>		
	1	Partnership (minor economic and financial incentives) without political conditionality: <i>relations with Mediterranean countries before 1995</i>	Conditional partnership with low credibility of threats and/or promises: <i>Partnership and Cooperation Agreements with post-Soviet states</i>	Conditional partnership with high credibility of threats and/or promises: <i>Trade and Cooperation Agreements with Central European and Balkan countries</i>
	2	Association (including market access and financial assistance) without political conditionality	Conditional association with low credibility of threats and/or promises: <i>Euro-Mediterranean Association Agreements</i>	Conditional association with high credibility of threats and/or promises: <i>Europe Agreements, Stabilisation and Association Agreements</i>
	3	Membership without political conditionality	Conditional membership with low credibility of promise: <i>general enlargement promise without candidate status</i>	Conditional membership with high credibility of promise: <i>enlargement candidacy, opening of accession negotiations</i>

The Partnership and Cooperation Agreements (PCA) offered to all countries of the former Soviet Union combine minor incentives with a low credibility of the threat to withhold them in case of political non-compliance (incentives/credibility = 1/1).⁷ Minor incentives combined with high credibility characterised EU relations with Central and Eastern European countries to the west of the former Soviet Union before the EU offered them 'Europe Agreements' of association (incentives/credibility = 1/2). Once they had the chance to sign Europe Agreements, the size of incentives increased (incentives/credibility = 2/2). These association agreements were not only linked to rather strict political conditionality (credibility of the threat), they also raised the

⁷The exception is Belarus where the EU has enforced conditionality more strictly than elsewhere in the former Soviet Union.

expectations of eventual membership (credibility of the promise). By contrast, the Euro–Mediterranean Association Agreements offered similar incentives without the same strict political conditionality and without the same membership perspective (incentives/credibility = 2/1). They are therefore classified as low-credibility associations.

From 1993, the EU granted the Central and East European countries a general membership perspective, which, however, was not credible for all Central and East European countries at the beginning (incentives/credibility = 3/1). Credibility had been high for the Central and Eastern European countries from 1993; it became high for the Baltic countries as well as Bulgaria and Romania in 1997 and for Turkey after the Helsinki Council of 1999 (incentives/credibility = 3/2). In 1999, the Western Balkans also obtained a general accession perspective (incentives/credibility = 3/1), which only became more credible with the decisions of the Thessaloniki European Council of 2003. We use the ‘0’ category for size (no tangible incentives) as the reference category against which we evaluate the effects of the other combinations in the dataset.

The indicator most often used for *economic development* is income, measured as gross domestic product *per capita*. For the analysis, we use GDP per capita on purchasing-power-parity base, in logs (to base 10). We computed a purchasing power-corrected series in 1995 international US\$ from data on constant (kd) and current (cd) US\$ total GDPs given in the World Development Indicators (World Bank 2005).⁸ Some authors, such as Diamond (1992) propose using other indicators like the Human Development Index or the Physical Quality of Life Index, which produce better results than GDP per capita because they capture levels of absolute poverty and human deprivation. The data for these alternative indicators, however, are not available for all countries of this study for the entire period of time. As an alternative, we use life expectancy at birth (World Bank 2005) as a second variable for economic development.

The measurement of *transnational exchanges* presented us with more difficulties because data availability for such interactions as visits, communication or academic exchange proved extremely limited given the extensive empirical scope of our study. Except for trade, we therefore turn to proxies based on the assumption that the intensity of exchanges increases with geographical proximity. By doing so, we also control for general spatial effects that have been found to be relevant for post-communist transformation (Kopstein & Reilly 2000).

For *geographical proximity to democratic countries*, we use two measures. First, we distinguish direct land neighbours of the EU from those that are separated from the

⁸Data in constant US\$ refer to the price level of 2000, but for purchasing power parities (PPP) data the conversion factors between current and constant US\$ are country-specific although the differences between economies are not too large. For some countries in the sample, the World Bank does not provide official conversion factors for these relations for the whole time period, but they can be reasonably estimated from more recent data.

Data are available from 1988 onwards for Bulgaria, Cyprus, Algeria, Egypt, Georgia, Hungary, Israel, Jordan, Latvia, Morocco, Slovakia, Syria, Tunisia and Turkey. For other countries, we had to fill the gaps. As a general rule, we assume that PPP remained about the same during the pre-transition period. That allows us to recalculate PPP series with market-price growth data. Regarding the former Soviet Union, these are given for Georgia, Latvia, Estonia and the Russian Federation and we calculate a weighted average; regarding the Czech Republic, we use growth rates given for the Slovak Republic. For Poland 1988–1990, we use growth rates given for Hungary.

EU by the sea or other countries. Second, inspired by Gleditsch and Ward (2006), we calculate a democratic-neighbours ratio for each country and year under observation. We divide the number of democratic neighbours of a country by the number of total (land) neighbours. In line with the hypothesis on the intensity of transnational exchanges with democratic countries, we assume that the frequency and consistency of democracy-promoting transnational interactions increases with the democratic-neighbours ratio. Finally, for *trade exchanges*, we use each country's trade with the EU based on Feenstra (2000).⁹ For the EU as a trade power, trade is likely to be a particularly important source of transnational influence.¹⁰

Influences promoting democracy take some time to come into effect. Change is most likely to take place as a result of elections leading to the defeat of less democratic incumbents or, in the case of election fraud, to popular unrest causing the downfall of the old regime. In accordance with the standard four-year electoral rhythm, we expect the empirical relations to be highest with using a time lag of four years. That is, we correlate the independent variables for one year (and country) with the democracy measure four years later. This effectively restricts our period of analysis from 1988 to 2000 for the independent variables.

We add the four *historical legacies* as ordinal-scale variables separately to this baseline model. For the cultural legacies, we distinguish (predominantly) Western, Orthodox and Muslim countries (the reference category). Imperial legacies are categorised as Western/Central European, Russian/Ottoman (the reference category) and mixed (for countries like Poland whose territory had been incorporated in more than one type of empire).¹¹ For independent statehood, we differentiate between post-1989 (the reference category), post-1945, post-1918 and pre-1918 periods. And finally, for Leninist legacies, we distinguish countries that had been part of the Soviet Union before 1940 (the reference category) and after 1940 from those that were independent communist countries after World War II and those that did not have any communist legacy.

In order to check whether or not these legacies are independent of each other, we studied their correlations. Since legacies are time-independent, we concentrate on the

TABLE 2
MEAN ABSOLUTE CORRELATIONS BETWEEN LEGACY VARIABLES

	<i>Religious civilisation</i>	<i>Imperial tradition</i>	<i>Independence</i>
Imperial tradition	0.182		
Independence	0.238	0.217	
Leninist legacies	0.292	0.271	0.327

⁹The time range is from 1985 to 1997, and 'EU trade' is operationalised as the share of the sum of exports to and imports from EU15 to the total sum of exports and imports. Feenstra covers all countries, except in their pre-1990 boundaries. We take predecessor states' values as proxies for their successor states' values in all cases (Czechoslovakia, Yugoslavia and the Soviet Union). We assume all countries to keep (in 1998 and later) those values they had obtained in 1996/1997 (the average of these two years).

¹⁰In addition, we control for *time dependency* by including a variable measuring the year of observation.

¹¹This follows Pop-Eleches (2007, p. 911), whereas he uses nominal-scale dummy variables for the other legacies.

correlations in the condensed dataset for only one observation per country ($n = 36$).¹² We concentrate on between-bloc correlations and condense the results in Table 2. Detailed results for the condensed dataset are presented in the Appendix. As we see, the highest level of correlation is between independence and communism, especially due to the almost perfect correlation between statehood after 1945 and the absence of a communist tradition (true for all countries in the Middle East and North Africa) and the strong relation between independence after 1989 and belonging to the Soviet Union before 1940 (true for all CIS member states). Another high average of correlations is between religion and communism, where 33 of the 36 countries are located in only six out of the 12 possible cells: the Muslim countries in the sample are split almost completely into pre-1940 Soviet republics and countries without communist tradition, most of the countries subsumed in the Orthodox civilisation belonged either to the pre-1940 Soviet republics or to the post-1945 communist bloc and they included EU neighbourhood countries with a Western religion, be it Catholic or Protestant, and all were either made part of the USSR after 1940 or part of the communist bloc after 1945. In the other four pairs of blocs, the correlations are lower.

As another way to condense the correlations between the variables, we conducted a principal components analysis of the 14 dummy variables. We found that two factors alone explain about half of the variance of the complete set.¹³ The first of these factors, explaining 26.3% of the variance, differentiates between post-1945 statehood (factor loading 0.71), absence of communist tradition (0.70) and belonging to a Western/Central European empire (0.67), on the one hand, and belonging to the Russian or Ottoman empire (−0.80) and post-1989 statehood (−0.76) on the other. This indicates a clear distinction of legacies among the Mediterranean and post-Soviet regions of the European neighbourhood. The second factor, explaining 23.6% of the variance, differentiates between Western civilisation (0.85), post-1918 statehood (0.70) and post-1940 USSR (0.58), on the one hand, and Muslim civilisation (−0.66), absence of communist tradition (−0.64) and post-1945 statehood (−0.62), on the other. This indicates separate historical legacies for the Mediterranean and the Central European regions. Obviously, historical legacies are regionally clustered.

Results

Table 3 reports the regression results for our baseline model in column 1.¹⁴ Except for low-credibility partnership and association, the coefficients for conditionality are

¹²Correlations in the complete dataset from the regression ($n = 387$) which are weighted with the number of observations per year were examined as a check but differences remained small and occurred predominantly in cases where the absolute correlation was low.

¹³Results of the analysis can be obtained from the authors.

¹⁴We do a random effects ordered probit estimation to account both for the ordinal structure of the democracy measurement and for the panel structure of the data, using Stata's GLLAMM module. In this estimation, the country variable is used as a unit identifier in a multi-level probit regression. The ordered probit estimation accounts for the Likert-like nature of Freedom House's democracy data, which are both stepwise and censored. GLLAMM is an abbreviation for 'generalised linear latent and mixed models' and likewise for a Stata module which allows us to estimate such models. Foundations and applications of GLLAMM are described in Skrondal and Rabe-Hesketh (2004).

TABLE 3
REGRESSION RESULTS FOR FREEDOM HOUSE, POLITICAL RIGHTS, WITH FOUR-YEAR LAG

	1	2	3	4	5	6
Partnership (1), low credibility (1)	-0.538 (1.63)	-2.004 (5.14)**	0.060 (0.15)	0.815 (0.98)	3.178 (4.40)**	0.981 (1.34)
Partnership (1), high credibility (2)	3.553 (8.61)**	-0.070 (0.20)	2.846 (6.69)**	1.344 (1.71)	1.829 (3.40)**	1.081 (1.76)
Association (2), low credibility (1)	-1.038 (2.77)**	-0.278 (0.71)	-1.775 (3.92)**	-0.964 (2.08)*	-1.265 (2.92)**	-1.269 (2.73)**
Association (2), high credibility (2)	4.388 (7.73)**	0.999 (1.85)	4.381 (7.97)**	2.318 (2.55)*	3.202 (4.66)**	1.411 (1.86)
Membership (3), low credibility (1)	5.420 (11.62)**	2.489 (6.06)**	4.460 (9.29)**	3.260 (3.84)**	3.858 (7.88)**	3.797 (6.49)**
Membership (3), high credibility (2)	6.175 (10.80)**	3.289 (5.86)**	5.765 (9.89)**	3.876 (4.25)**	4.751 (7.73)**	4.297 (6.31)**
GDP p.c., ppp, log	-0.515 (1.13)	1.783 (3.67)**	3.468 (6.87)**	0.593 (1.28)	1.565 (3.53)**	0.832 (1.93)
Life expectancy at birth, total (years)	0.438 (11.04)**	0.120 (3.15)**	0.170 (4.99)**	0.446 (11.01)**	0.357 (8.65)**	0.350 (8.46)**
Democratic neighbourhood	0.158 (0.34)	-3.783 (5.90)**	-0.184 (0.38)	1.372 (2.60)**	1.508 (2.92)**	-3.204 (5.25)**
Proximity to EU no direct land border	- 0.577 (2.94)**	-0.245 (1.16)	- 1.018 (4.14)**	0.451 (2.13)*	- 0.966 (3.91)**	0.161 (0.74)
EU-trade share of total trade	-1.543 (1.96)	1.294 (1.45)	0.300 (0.33)	-0.046 (0.05)	0.930 (0.94)	-1.941 (2.06)*
Muslim civilisation	(ref.)	(ref.)	(ref.)	(ref.)	(ref.)	(ref.)
Orthodox civilisation		5.345 (10.00)**				
Western civilisation		13.321 (9.71)**				
Russian/Ottoman empire			0.675 (1.39)			
Mixed imperial legacy			3.461 (5.98)**			
Western/Central European empire						
Post-1989 statehood						
Post-1945 statehood						
Post-1918 statehood						
Pre-1918 statehood						
Pre-1940 USSR						
Post-1940 USSR						
Post-1940 communist						
No communist tradition						
Factor 1						
Factor 2						
Stepwise linear time effects and their legacy-interactions	(omitted)	(omitted)	(omitted)	(omitted)	(omitted)	(omitted)
Observations	385	385	385	385	385	385
						-0.438 (1.38)
						5.137 (11.84)**

Note: *significant at 5% level; **significant at 1% level; ref. reference category. See pp. 448–51 for an explanation of Models 1–6, and p. 452 for an explanation of Factors 1 and 2.

positive and highly significant. For the other types of conditions, the effects on democracy also increase with the size and credibility of the external incentives. The deviating pattern for low-credibility partnership and association may have to do with the weak democracy-promoting impact of both the Partnership and Cooperation Agreements with the former Soviet republics and the Barcelona Process and Euro–Mediterranean Agreements that fall in this category. This already points to a regional and legacy effect. Among the control variables, only life expectancy and geographic proximity to the EU conform to our theoretical expectations. In sum, higher levels of political conditionality are by and large significantly correlated with higher levels of democracy four years later—even if we control for economic development, trade and geography.

What happens to this result when we incorporate historical legacies? Technically, we do so stepwise by adding linear time effects for the years 1988, 1991, 1994, 1997 and 2000 and their legacy interactions to the baseline model. Because Table 3 would otherwise become too long, we only show the interactions for 1997 as a typical year in columns 2–6 and leave out the coefficients for the other four time points (that would otherwise have to be added to each column). The coefficients and significance levels for the variables of the baseline model, however, hold for the legacy interactions in their entirety. Figure 1 shows how the significance levels of the incentive variables vary across the five legacy models.¹⁵

The cultural legacy is added to the model in column 2 of Table 3. As predicted, the legacy of Orthodox Christianity is more conducive to democracy than Muslim civilisation, and Western civilisation is clearly the most favourable cultural legacy. In addition, political conditionality below the level of membership incentives loses its significance. Because the estimation model is not linear, the coefficients cannot be interpreted directly, but they can be used to compare the effects of the different variables with regard to the respective reference categories. In this model, and for the year of 1997, the effect of belonging to Western civilisation as opposed to Muslim civilisation is more than four times larger than the effect of highly credible membership as opposed to absent or minor unconditional incentives. Even the relative effect of Orthodox civilisation is stronger than that of credible membership incentives. This estimation thus provides strong evidence for the relevance of cultural legacies.

The model in column 3 introduces the dummies for imperial tradition. For 1997, a Western imperial legacy clearly improves the likelihood of democracy compared with either Ottoman or Russian imperial legacies, but this addition leaves the effects estimated in the baseline model (column 1) generally intact. Imperial legacies do not seem to reduce either the significance or the relative strength of conditionality effects. According to Figure 1, imperial tradition has the weakest impact on the significance of EU conditionality among all legacy variables.

¹⁵Remember that due to the ordered probit model, the coefficients cannot be compared directly between models. We tested as a viable alternative the comparison of coefficients divided by the differences between cut points for distinct democracy levels, but since the results were rather similar and the explanation of such a procedure would have required more explanatory effort, these results are not given here.

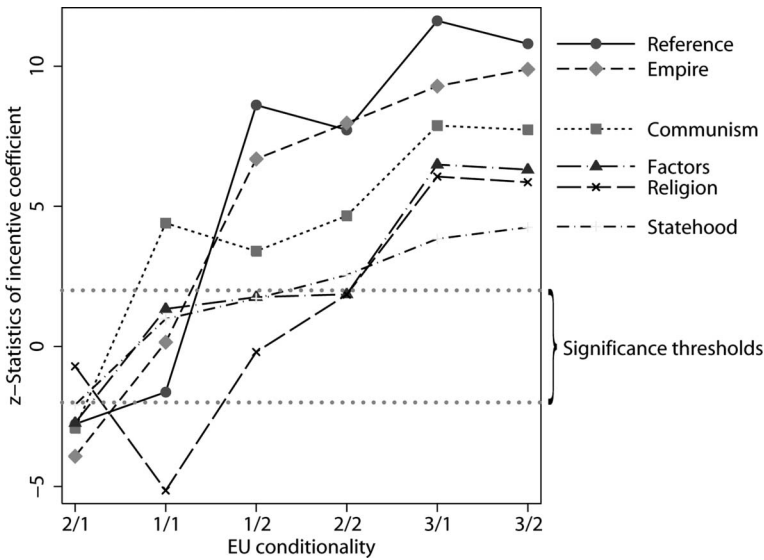


FIGURE 1. SIGNIFICANCE OF EU CONDITIONALITY VARIABLES, BY MODEL

In the model in column 4, we introduce the dummy variables for independent statehood. Compared to those states that only became independent in 1989, all legacies of earlier statehood are positively correlated with democracy. Moreover, statehood depresses the z -statistics for the incentive types even more strongly than religious civilisation (Figure 1). The strengths of the effects, however, do not strictly follow a temporal order. Statehood established between 1918 and 1945 had a clearly stronger effect than independence attained earlier or later. Obviously, this group encompasses those Central European countries that were to become the leaders of post-communist democratic consolidation. The relative effect of independent statehood for this group of countries is also higher than that of credible membership incentives. Nevertheless, the general impact of EU incentives remains intact: again, and starting with highly credible association, the coefficients are positive and highly significant.

In the model in column 5, the dummy variables for the extent of communist legacies were included in the estimation. In 1997, countries both occupied by the USSR after 1940 and those under indirect Soviet rule were significantly more democratic than countries that had been part of the Soviet Union prior to 1940 but, contrary to the theoretical expectation, the effect was less pronounced for the countries under indirect Soviet rule. This is clearly an effect of the Baltic countries. Moreover, non-communist countries do not fare better than communist countries: there is no unique Leninist legacy working against democratisation. The inclusion of these variables again lowered coefficients and z -statistics of the incentive variables but less so than the inclusion of cultural and statehood legacies.

Finally, column 6 shows the results for a model that includes the factors described above. It shows that, whereas the difference between the historical legacies of the post-

Soviet and the Mediterranean regions is not relevant for democracy on the whole, the difference between the historical legacies of the Central European and the Mediterranean regions is strongly so. Apparently, there are two distinct legacy-driven paths to autocracy. Yet, even if controlled for this broad configuration of legacy factors, the effect of EU membership conditionality remains positive and significant. We thus find in all estimations that cultural and institutional legacies reduce the causal impact of EU accession conditionality but do not render it insignificant in a single case. The analysis thus confirms a highly robust causal role of conditionality. This stands in clear contrast to the other two mechanisms of democratisation: economic development and transnational exchange.

Figure 2 gives an impression of how democracy levels evolve in specific legacies over time. Since the aim here is merely illustrative, model efficiency is not necessary and the violation of the parallel regression assumption can be tolerated. Hence, a linear model which allows for a direct interpretation of the coefficients is feasible. Figure 2 thus shows the differences between the respective legacies over time, net of the effects of the other control variables in our model (logged per-capita GDP, life expectancy, democratic neighbourhood, absence of direct land border to EU and EU trade share).

For each of the five years 1988, 1991, 1994, 1997 and 2000, Figure 2 shows that the ranking between Western, Orthodox and Muslim countries is consistent with the expectations of our hypothesis about religious civilisation and the distances remain roughly the same. It thus confirms that religious civilisation captures a relevant, enduring and systematic structural legacy effect. By contrast, none of the historical legacies grouped as ‘institutional challenges’ are as systematically correlated with levels of democracy as religious civilisation over time. As for the imperial legacies

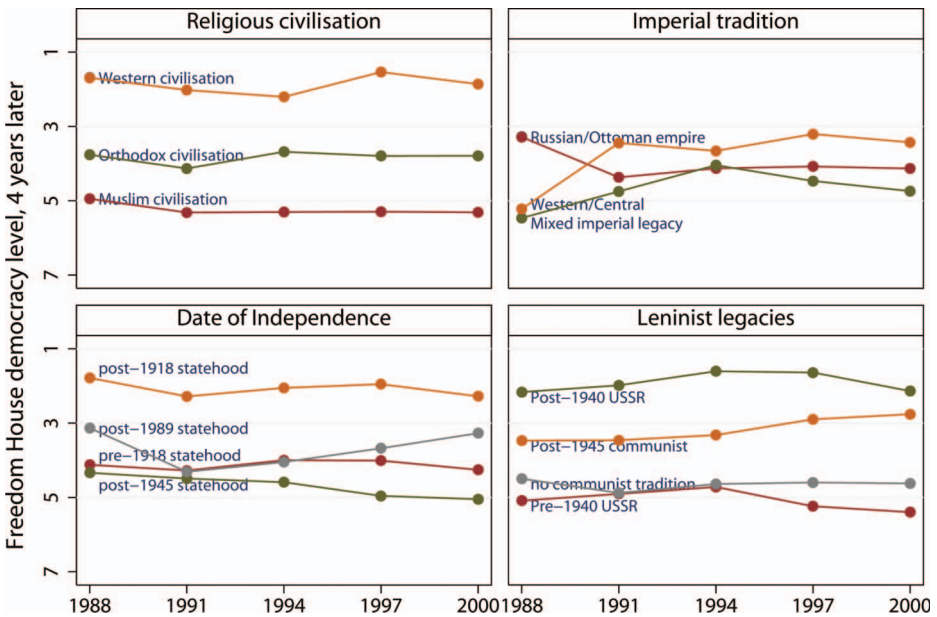


FIGURE 2. AVERAGE DEMOCRACY LEVELS BY LEGACY OVER TIME

(model 3), countries with mixed Ottoman and Russian traditions, and with mixed Western and Central European traditions do not attain higher levels of democracy than those with a purely Ottoman or Russian heritage. Starting from 1991, however, countries with Western or Central European imperial heritage perform better than those with Ottoman or Russian legacies. This is in line with the theoretical expectations.

By contrast, the order of the lines for the duration of statehood is not consistent with the hypothetical expectations. While countries which received independence after World War I perform clearly better than all other categories, countries which received independence after World War II are at the bottom of the ranking, and the categories with the largest historical difference are virtually indistinguishable. The overall results in support of this legacy factor are thus considerably weaker than for the 1997 snapshot reported in Table 3.

Finally in Figure 2, the diagram for Leninist legacies shows that countries that had become part of the Soviet Union later (or were only indirectly ruled by the USSR) were consistently more likely to attain higher levels of democracy. However, the Mediterranean countries without any communist heritage did not fare any better than those with the deepest Leninist legacy.

Conclusions

Is EU democracy promotion in its neighbourhood relevant and effective, or is it largely shaped and constrained by historical legacies? In a previous study (Schimmelfennig and Scholtz 2008) we have found EU political conditionality to be highly relevant and effective under two conditions: that the target countries obtained a membership perspective and that they had developed into hybrid regimes or illiberal democracies in the transition between autocracy and democracy. In this study we explored four cultural and institutional historical legacies that could be assumed to affect both the use and the effectiveness of EU political conditionality.

The study produced two main sets of results. First, only one of the tested legacies proved to be consistently correlated with levels of democracy for the entire set of neighbourhood countries: that of (religious) civilisation. In line with the hypothesis, predominantly Western Christian countries were by far the most likely countries to develop and sustain liberal democracy in the post-1989 era. Both the correlation table and the principal-component analysis showed that this cultural heritage was closely linked with post-1918 independent statehood (covering mostly Central European countries) and post-1940 direct Soviet rule (covering mostly the Baltic countries). Since, however, we do not find a consistent relationship between statehood and the duration of communist rule, on the one hand, and levels of democracy, on the other, we assume that civilisation is really driving this pattern. Predominantly Orthodox countries showed lower levels of democracy on average but were clearly ahead of the Muslim countries in the sample. We can therefore conclude that fundamental cultural predispositions play an important role in democratisation and, possibly, shape the relationship between neighbouring countries and the EU as well.

Second, however, none of the tested legacies undermined the statistical robustness of the correlation between strong EU incentives and levels of democracy in the

European neighbourhood. This also applies to the cultural legacy of religious civilisation. Whereas this factor reduces the strength and significance of the conditionality effects, it does not explain them away. Thus, to which civilisation a country belongs affects its likelihood of developing and sustaining democracy, and also the effectiveness of EU political conditionality, but it determines neither the use nor the success of EU democracy promotion. First, EU accession conditionality has been instrumental for democratic consolidation in countries like Croatia and Slovakia that belonged to Western civilisation but had moved toward authoritarianism after independence. Second, the EU has offered membership not only to Western Christian countries in Central and Eastern Europe but also to predominantly Orthodox and even predominantly Muslim countries in South-Eastern Europe. Some of its most visible successes can be seen in Orthodox countries that threatened to become deadlocked as hybrid regimes, such as Bulgaria and Romania,¹⁶ or had developed an authoritarian version of democracy early on, such as Turkey.

Two broad conclusions can be drawn from this analysis. First, the historical legacy of Western civilisation makes it easier for the EU to both offer membership and achieve success in Europeanisation. This has clearly been the case. Second, the EU can make the biggest difference if it extends its conditional membership promise beyond countries with favourable cultural legacies into the Orthodox and Muslim world. To do so, however, it must overcome higher obstacles than in Central Europe—both on the part of its member states, many of which are reluctant to accept culturally distant countries as EU candidates, and on the part of the neighbouring countries, which are less predisposed toward developing sustainable liberal democracy (or giving in to EU pressure).

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¹⁶See also Levitz and Pop-Eleches in this issue.

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Appendix

TABLE A1
CORRELATIONS BETWEEN LEGACY VARIABLES

	<i>Muslim civilisation</i>	<i>Orthodox civilisation</i>	<i>Western civilisation</i>	<i>Russian/ Ottoman empire</i>	<i>Mixed imperial legacy</i>	<i>Western/ Central European empire</i>	<i>Post-1989 statehood</i>	<i>Post-1945 statehood</i>	<i>Post-1918 statehood</i>	<i>Pre-1918 statehood</i>
Russian/Ottoman empire	0.070	0.132	-0.225							
Mixed imperial legacy	0.009	0.200	-0.232							
Western/Central European empire	-0.081	-0.286	0.408							
Post-1989 statehood	-0.070	0.216	-0.161	0.337	-0.219	-0.197				
Post-1945 statehood	0.396	-0.124	-0.309	-0.565	0.365	0.331				
Post-1918 statehood	-0.320	-0.302	0.696	0.058	-0.161	0.057				
Pre-1918 statehood	-0.051	0.129	-0.086	0.124	0.036	-0.158				
Pre-1940 USSR	0.213	0.129	-0.383	0.507	-0.092	-0.469	0.701	-0.355	-0.266	-0.297
Post-1940 USSR	-0.320	-0.135	0.510	0.219	-0.161	-0.114	-0.219	-0.215	0.535	0.036
Post-1940 communist	-0.405	0.129	0.313	-0.218	-0.092	0.298	-0.023	-0.355	0.082	0.351
No communist tradition	0.461	-0.167	-0.333	-0.482	0.325	0.272	-0.546	0.926	-0.232	-0.086

Note: All correlations below an absolute value of 0.33 (the threshold for significance on the 5% level) are given in italics.