EUROPEAN INTEGRATION, DEMOCRATIC CONSOLIDATION AND DEMOCRATIC REGRESSION IN CENTRAL AND EASTERN EUROPE: AN INSTITUTIONAL ASSESSMENT

by

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and approved by

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ABSTRACT OF THE DISSERTATION

European Integration, Democratic Consolidation and Democratic Regression in Central and Eastern Europe: An Institutional Assessment

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The Eastern enlargement of the EU represented a historic moment in breaking the East-West divide. EU membership (the international dimension of democratization) was expected to contribute to the consolidation of democracy in Central and Eastern Europe (CEE). However, post-EU accession, a number of cases have been plagued with democratic crisis and in some cases even democratic regression. While another group of cases have become stable consolidated democracies. Current literature has been unable to provide an explanation for this variant outcome as the international dimension of democratization remains an under-theorized research program.

In light of the theoretical gap in understanding the conditions under which the promotion of democracy by the EU is likely to be effective, this study asks: How can the variations in post-accession CEE be explained? This study argues that, those CEE states that are experiencing the strongest cases of democratic regression are the same states that exhibited the strongest majoritarian institutional designs during the pre-accession period. Yet, because the democratic regression that is being experienced in CEE began during the post-EU accession period, it is the argument of this study that the rigid pre-accession process was more conducive to democratic consolidation in those states exhibiting stronger consensual institutional designs than those exhibiting stronger majoritarian institutional designs.

In order to test this hypothesis, this study adopted a mixed methodological approach. On the one hand, the study analyzed cross-sectional time-series data in order to test for the statistical significance of the proposed hypothesis. On the other hand, the study utilized a most-similar research design through a comparative analysis of six case studies. The purpose of the case studies was to elucidate the theoretical hypothesis described above, and to better understand the causal mechanisms of the proposed relationship between the variables of interest.

The findings were able to confirm the hypothesis by showing that due to the more robust nature of political competition under consensual democracies, European integration proved beneficial to democratic consolidation, compared to the more limited form of political competition under more majoritarian designs.
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INTRODUCTION

Since the creation of the European Economic Community (EEC) in 1957 the European Union (EU) has gone through seven rounds of enlargements (from 6 members to 28). As a result, today the EU stretches from the most western part of the continent (Portugal), to as far East as the Baltic states. Enlargement has arguably been the Union’s most effective external policy tool. In fact, the enlargement policy of the EU has been so effective, that nearly every state of the former Eastern Bloc (with some exceptions) has made European integration an essential, if not an ultimate foreign policy goal.

In the biggest enlargement round to date—2004 and 2007 (the Eastern enlargement)—the EU extended membership to 12 new states, ten of whom were former communist states of Central and Eastern Europe (CEE).\(^1\) However, soon after official entry into the EU, some of the 2004/07 entrants experienced democratic regression in which much of the progress toward the consolidation of democracy that was made during the pre-accession period slowly withered away in the post-accession period. For example, the new Hungarian constitution, which entered into force in January of 2012, is criticized for infringing on minority rights, creating media restrictions and interfering with the judicial process.\(^2\) Romania’s post-accession political framework dangerously parallels the Hungarian pattern of democratic

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\(^1\) 2004 entrants to the EU were: Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia. 2007 entrants were Romania and Bulgaria.

regression, although with some major differences.\(^3\) The Czech Republic, Slovenia, and the Baltic States on the other hand, despite experiencing severe economic recessions as a result of the 2008 financial crisis, stand out as exemplary cases where democratization efforts have made the biggest progress toward the consolidation of democracy.

<table>
<thead>
<tr>
<th>Table A: Democracy Scores in CEE</th>
<th>Freedom House Democracy Scores @ Year of membership(^a)</th>
<th>Freedom House Democracy Scores (2014)(^a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulgaria</td>
<td>2.86</td>
<td>3.25</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>2.33</td>
<td>2.25</td>
</tr>
<tr>
<td>Estonia</td>
<td>1.92</td>
<td>1.96</td>
</tr>
<tr>
<td>Hungary</td>
<td>1.96</td>
<td>2.96</td>
</tr>
<tr>
<td>Latvia</td>
<td>2.17</td>
<td>2.07</td>
</tr>
<tr>
<td>Lithuania</td>
<td>2.13</td>
<td>2.36</td>
</tr>
<tr>
<td>Poland</td>
<td>1.75</td>
<td>2.18</td>
</tr>
<tr>
<td>Romania</td>
<td>3.29</td>
<td>3.46</td>
</tr>
<tr>
<td>Slovakia</td>
<td>2.08</td>
<td>2.61</td>
</tr>
<tr>
<td>Slovenia</td>
<td>1.75</td>
<td>1.93</td>
</tr>
</tbody>
</table>

\(^a\) The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The 2014 ratings reflect the period January 1 through December 31, 2013.

While the European integration of CEE was expected to follow the footsteps of Southern Europe, the post-accession period of CEE has delivered troubling outcomes as far as democratic consolidation is concerned. Despite the difficulties of measuring democracy,\(^4\) according to one of the most widely cited datasets in the literature of democratization, the Freedom House \textit{Nations in Transit Report} (see Table A) shows that Bulgaria, Hungary, Romania, and Slovakia have experienced considerable


democratic regression since EU accession; while the Czech Republic, Poland, Slovenia and the Baltic states have made the biggest progress toward democratic consolidation since accession. Therefore, in light of these variations in post-accession CEE, two important questions emerge: What explains the variations in post-accession CEE; and, under which conditions is the promotion of democracy by the EU likely to be effective?

Specifically, this study hypothesizes that those CEE states that are experiencing the strongest democratic regression are the same states that exhibited the strongest majoritarian institutional designs during the pre-accession period. Yet, because the democratic regression that is being experienced in CEE began during the post-EU accession period, this study argues that the rigid pre-accession process was more conducive to democratic consolidation in those states exhibiting consensual institutional designs than those exhibiting majoritarian institutional designs.

1. Definitions

At its core, this study is interacting two research programs—the Europeanization literature with the transitions to democracy literature. Therefore, in order to minimize analytical confusion, and to better understand how the two research programs interact with one another, it is appropriate that some proper definitions are provided. Democratic consolidation remains a contested concept. Nonetheless, there does exist some degree of consensus among scholars in terms of definitions. Such definitions are best divided into two groups—minimalist and maximalist definitions. According to Schedler, minimalist definitions are based in

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5 It should be noted that nearly all new members experienced some degree of democratic regression in the post-accession period.
reference to authoritarian regimes and emphasize a minimal threshold for
democracy that differentiates democracies from authoritarian or semi-democratic
regimes; while maximalist definitions emphasize the qualities of and the deepening
of democracy. While the two types of definitions may seem as purely academic
exercises, they have implications for the study of democracy. Morlino has argued
that minimalist definitions are more appropriate for the study of democratic
transitions and breakdowns because they provide a threshold on which to measure
regime change; while maximalist definitions which emphasize qualities and
deepening of democracy are more appropriate for the study of democratic
worsening (or democratic regression) because they allow for a temporal
examination of the deterioration of democratic qualities (see important footnote).

In this respect, it must be emphasized once more that this study is focused on
the causes of the post-accession democratic crises of CEE. Therefore, I will adopt a
maximalist definition of democratic consolidation. Linz and Stepan’s definition is
appropriate because it incorporates procedural aspects of democracy as well as
behavioral and attitudinal aspects. According to the authors, democracy becomes
"the only game in town" and has been consolidated when:

"Behaviorally, a democratic regime in a territory is consolidated when no
significant national, social, economic, political, or institutional actors spend
significant resources attempting to achieve their objectives by creating a
nondemocratic regime or by secede from the state. Attitudinally, a

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6 Andreas Schedler. "What is democratic consolidation?" Journal of Democracy 9.2
University Press, 2012. Print. pg31,34,196.(Morlino defines as qualities of
democracy the following eight features: rule of law; electoral accountability; inter-
institutional accountability; participation; competition; freedoms; equality; and
responsiveness).
democratic regime is consolidated when a strong majority of public opinion holds the belief that democratic procedures and institutions are the most appropriate way to govern collective life in a society such as theirs and when the support for antisystem alternatives is quite small or more or less isolated from pro-democratic forces. Constitutionally, a democratic regime is consolidated when governmental and nongovernmental forces alike, throughout the territory of the state, become subjected to, and habituated to, the resolution of conflict within the specific laws, procedures, and institutions sanctioned by the new democratic process.”

This definition is useful in the context of this study because not only does it consists of a broad enough definition of democracy to allow for assessing the deterioration of democratic qualities, but the attitudinal component of it allows for the incorporation of political culture into the definition. Thus, from this point on, when this study refers to a democratic political culture, it is in direct reference to Linz and Stepan’s definition of democratic consolidation. In other words, a democratic political culture will refer to a form of political attitudes in which democratic norms and procedures constrain the availability of choices to political elites. Thus flowing from the above definition of democratic consolidation, *democratic regression will refer to the deterioration of those behavioral, attitudinal and constitutional qualities of democracy.*

On that note, it must also be emphasized that this study will operate under the assumption (or argument) that CEE democracies had not become fully consolidated by the time of accession. Because this study has adopted a maximalist definition of democracy, as a corollary, only a long-term perspective allows for the consolidation of democracy in which democratic norms and practices have been

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habituated into the psyche of political elites. Thus in the context of this study, CEE states underwent the pre-accession period simultaneously with their transitions to democracy.

Europeanization on the other hand, broadly defined refers to a process of change at the domestic level as affected by European integration. Change in this respect can take place in a number of areas such as domestic policies, institutions, ideas, interests and the actors themselves. This nature of change is top-down. In other words, it flows from the EU-level to the domestic level. Yet this type of definition neglects the bottom-up aspect of Europeanization, which relates to how member states project their own domestic interest at the EU-level. Thus a more appropriate definition of Europeanization would constitute both aspects—top-down and bottom-up.

Radaelli offers such a definition, in which Europeanization refers to:

“Processes of (a) construction, (b) diffusion, and (c) institutionalization 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 making of EU public policy and politics and then incorporated in the logic of domestic discourse, identities, political structures, and public policies.”

The first word in Radaelli’s definition is most telling as it refers to Europeanization not as an outcome, but rather as an ongoing process of change.

This distinction is important because it points to an important aspect of Europeanization—that its effects are not universal, but rather a matter of degree, which differ from case to case and from issue to issue. Unsurprisingly, there is no

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consensus among scholars, as Featherstone points out on: what Europeanization means; how it affects domestic change; if Europeanization is reversible; whether it means convergence across Europe; and why there remain differences in the levels of Europeanization. This study, however, is not necessarily focused on studying Europeanization per se, but rather, is incorporating the Europeanization literature in order to better understand the democratization of CEE. Therefore, from this point on, this study will refer to a loose definition of Europeanization as a process of change on the domestic level as affected by European integration. A point of clarification must also be made. Whereas Europeanization refers to what was just described above, European integration in the context of this study is used in a more limited sense to refer to the process of joining the EU, otherwise known as the pre-accession process.

2. Theoretical and Practical Implications

The questions posed by this study have theoretical as well as practical implications. Theoretically, as Schimmelfennig and Sedelmeir have argued, EU enlargement remains an under-theorized research program. This theoretical neglect is due in part to research design, as most research on the effects of EU membership on newly democratized states has tended to focus on single case studies or within the same enlargement round. In other words, cross-sectional and cross-enlargement round comparisons are generally absent. Thus the understanding of the conditions under which the promotion of democracy by the EU

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is likely to be affective has not been established. Furthermore, and more importantly, as Dimitrova has argued, the adaptive pressures of the EU during the pre-accession process of the Eastern enlargement overlooked the post-communist institutional transformations of CEE.\textsuperscript{12} As a result, the EU applied a one-size fits all approach. This approach by the EU has reflected in the way in which the Eastern enlargement has generally been studied, as the literature on enlargement and the “transitions to democracy” literature have tended to ignore each other.\textsuperscript{13} Thus in terms of understanding the impact of Europeanization on the democracies of CEE, the issue remains something of a “black box”. As will become apparent in this study, not only is there a lack of theory explaining the conditions under which European integration is likely to contribute to the consolidation of democracy, but equally important, the Europeanization literature has shown that the impact of Europeanization has been more limited in affecting domestic polities and politics, compared to its impact on domestic policies.

The way in which the Eastern enlargement is studied has practical implications as well. As of today, nearly every Southeast European state is an official candidate for EU membership.\textsuperscript{14} Thus one must ask the question of the extent to which the promotion of democracy is likely to be effective in Southeast Europe. It is important in this respect that the impact of European integration on


\textsuperscript{13} Ibid.: pg174.

\textsuperscript{14} With the exception of Kosovo, which is yet to be recognized as an independent state by every EU member, Albania, Macedonia, Montenegro and Serbia have all become official EU candidates. Bosnia and Herzegovina is also the exception as it has yet to gain official candidacy status.
newly democratized states is better understood in order for the EU to establish a more affective enlargement policy.

In order to address the questions raised in this introduction, this study will conduct a cross-sectional, cross-enlargement round comparison with the intention of shedding light on the impact of European integration on newly democratized states. The comparison of enlargement rounds is important for two reasons. First, the two regions (Southern Europe and CEE) share a number of similarities: the authoritarian histories of Southern Europe closely resemble the experience of CEE states, which from the end of the Second World War (1945) to the fall of the Berlin Wall in 1989 were ruled through some variation of totalitarian communist regimes. Both regions enjoyed large popular support for European integration; and the accession of both regions was preconditioned on functioning democratic systems. One must also bear in mind the differences between the two regions as well.15 The second reason as to why a cross-enlargement round comparison is important is because by testing hypotheses across time and across cases, it allows for building theoretical propositions with greater applicability (generalizability).

In this respect, the cross-enlargement comparison will focus on the dynamics of the pre-accession process in the respective enlargement rounds. That is, the way in which European integration affected democratization and democratic consolidation. In other words, a cross-enlargement round comparison adds variation to the pre-accession criteria, which differed drastically between both rounds. The Southern enlargement was simply preconditioned on functioning

democratic systems, while direct influence by the EEC in the domestic politics of the Southern states was absent. For the Eastern enlargement, however, the criteria were more comprehensive, which resulted in the EU having direct influence on the domestic politics of CEE states. As Grabbe has argued, the pressures on the Eastern enlargement for policy adoptions and policy convergence during the pre-accession process were considerably greater than those on previous applicant states, and even more so than the pressure for adoption and convergence on some current member states.  

In order to develop a more theoretically informed research design, Lijphart’s institutional typology of majoritarian versus consensual democracies will consist of the other key independent variable of interest. Lijphart’s seminal work, Patterns of Democracy, identifies an institutional division between democracies—those that are more majoritarian in design and those that are more consensual. The typology is based on the extent to which power sharing in the government is distributed among competing parties. In other words, in those institutional designs were power is concentrated in the hands of a few, usually a single-party majority cabinet, the institutions of that democracy are thought to be majoritarian. On the other hand, in those institutional designs were power is distributed across a number of parties, in which even losing parties have at the very least a minimal say in policy-making, the institutions of that democracy are thought to be consensual. The institutional designs of each democracy, however, are not either-or—consensual or majoritarian.

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Rather each democracy is located somewhere within this spectrum where one end represents purely consensual designs and the other end purely majoritarian designs.

In order to understand Lijphart's typology, we need to understand how the variable is conceptualized. Before reaching its final form, the institutional variable is constructed through the composition of ten micro-institutional variables. The ten micro variables are: 1, party system fragmentation (multiparty versus two-party systems);\(^\text{18}\) 2, cabinet power (concentration of power versus sharing of executive power); 3, executive-legislative relations (executive dominance versus balance of power); 4, electoral systems (majoritarian designs versus proportional representation); 5, interest groups (pluralism versus corporatism); 6, division of power (centralization versus decentralization); 7, parliaments and congress (concentration versus division of legislative power); 8, constitutional amendments (flexible versus rigid amendment procedures); 9, judicial independence (independent or not); and 10, central bank independence (independent or not).

Through an analysis of 36 established democracies, Lijphart was able to show that the ten micro-variables mentioned above cluster into two dimensions: The *executive-parties dimension*, which consists of the first five micro-variables and measures the extent to which power is horizontally distributed; and the *federal-unitary dimension*, which consists of the latter five micro-variables and measures the

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\(^{18}\) This study will utilize the term “fragmentation” to refer to the number of effective parties in a given party system. Although the term fragmentation can imply certain negative connotations such as ‘ungovernability’, its use in this study does not intend to imply any connotations of any sort other than the degree to which a party system is fragmented.
extent to which power is vertically distributed. In other words, if we were to look at the executive-parties dimension we would see that the five variables that make up this dimension are highly correlated with one another. That is, if a democracy has a two party system, it is also likely to have a concentration of cabinet power, a dominant executive, a majoritarian electoral system, and pluralist (dispersed) interest groups.

Besides the empirical contribution made by *Patterns of Democracy*, Lijphart also raises theoretical questions. In one of the most contentious chapters of the book, Lijphart shows that consensual democracies are “kinder and gentler”. By “kinder and gentler” it is meant that consensual democracies have better gender equality, greater political equality, higher voter participation, closer proximity between government policies and voter preferences, and overall better citizen satisfaction with the performance of democracy. It is worth noting that the statistical analysis on which Lijphart’s findings were based used the executive-parties dimension as the independent variable due to the fact that this is the executive decision-making dimension, which is largely responsible for major governmental decisions. Thus from this point on, when this study refers to Lijphart’s institutional typology, it is referring to the executive-parties dimension. The institutional typology therefore raises an interesting theoretical question: which institutional design is better equipped for democracies in transition? This question

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19 Ibid.: Chapter 16.
20 Ibid.: pg278-279.
has been debated elsewhere, and the purpose of this study is not necessary to make a theoretical or empirical contribution to the typology. Rather, the article draws a logical argument from the typology and applies it to the democratic transitions of CEE in the context of European integration.

3. EU Membership and Democratic Consolidation

The EU enlargement process has been an ongoing external policy of the EU/EEC since its inception. Because of this fact, scholars have able to draw conclusions and lessons from previous enlargement rounds. Although each round has consisted of different new members, with vastly different historical, economic, societal, and political conditions, the common factor amongst all new members has been the role of the EU/EEC in promoting democratization. Up until the 2004/07 enlargement round, democratic consolidation through EU/EEC membership had been an all but conclusive theory. That is, EU/EEC membership contributed to the consolidation of democracy in new-member states. However, the validity of this theory has been questioned following the Eastern enlargement.

<table>
<thead>
<tr>
<th>Table B</th>
<th>Transition Type</th>
<th>Economic Environment</th>
<th>International Environment</th>
<th>Size of Enlargement Round</th>
<th>Accession Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern Europe</td>
<td>Singular: Political</td>
<td>General upturn in European economy</td>
<td>Period of détente in Cold War politics</td>
<td>Small: 3 new members)</td>
<td>Lax</td>
</tr>
<tr>
<td>CEE</td>
<td>Dual: Political and Economic</td>
<td>General downturn in European economy</td>
<td>Period of uncertainty: post-Cold War</td>
<td>Large:10 new members</td>
<td>Strict</td>
</tr>
</tbody>
</table>

Starting with the impact of the Southern enlargement on the consolidation of democracy in Greece, Portugal and Spain, EU/EEC membership has been viewed as favorable for democracy. In a special issue of *South European Society & Politics*, Schmitter has argued that he can recall only a few edited volumes in which the contributors managed to reach such a high level of consensus on the causal impact of membership and the direction of change. Lessons from the Southern enlargement, however, may not be fully applicable in the Eastern enlargement because of the differences between the two enlargement rounds. In order to perform a comparative analysis between the two regions (Southern Europe and CEE) it is important that we identify the differences in accession criteria between the two regions, as well as look at some of the specifics that separate the two regions. Table B summarizes these differences.

Southern Europe and CEE both had to enter periods of transition—from authoritarian rule to democratic regimes. In economic terms, however, the transition between the two regions was anything but similar. The Southern European states were fully functioning market economies integrated into global markets, whereas CEE states had to make the transition from two fronts—the political transition from authoritarianism to democracy and the economic transition from communism to market economies. The timing of EU/EEC membership was also important in economic terms. As Schmitter has argued, Spain and Portugal were lucky that their accession to the EEC coincided with a general upturn in the

European economy.\textsuperscript{23} The timing of CEE accession, however, was not as lucky for the new-member states, as their membership was only several years removed from the 2008 Global Financial Crisis. Furthermore, the accession of Southern Europe took place in a much different international environment. The 1980s was a period of \textit{détente} between the two Cold War rivals, whereas that 1990s and 2000s were a period of uncertainty. In fact, only a year before the 2004 enlargement the EU produced its first ever European Security Strategy, which emphasizes the role of the security paradigm in the 2000s. Finally, CEE states joined a much larger and more complex Union, composed of 15 member states, as compared to ten members when Portugal and Spain joined. As a result, CEE states were forced to accept conditions for membership, which as Schmitter has argued, would have been unthinkable in the 1980s.\textsuperscript{24}

\textbf{4. Common Explanations}

For the reasons listed above, the impact of European integration on the democracies of CEE has been hard to put under a theoretical grasp. Thus some of the common explanations for the divergent patterns of post-accession CEE have tended to reflect the democratization literature, while neglecting the European integration literature. As will be discussed below, such studies have focused on the region as a whole and often offer explanations that simply divide the diverging patterns of post-communist transformations into smaller sub-regions—CEE which has made the biggest progress toward democratic consolidation; post-Soviet Central Asia which has fallen back to authoritarian rule; and the Balkans region which falls

\textsuperscript{23} Ibid.: p320.
\textsuperscript{24} Ibid.: p321.
somewhere in between. Such explanations, however, fail to provide specifics such as why certain CEE states have experienced democratic regression, while others have made considerable progress toward democratic consolidation. Some of the common explanations are provided below.

First, the historical and ideological arguments stress the differences between CEE and the rest of the former Eastern Bloc. CEE states were not republics of the USSR prior to 1940; they had prior experience with democratic institutions; experienced large scale mobilizations in the late 80s early 90s; there was a fragmentation of communist elites in the transition years; reformers won the first free elections post-1989; and these countries were also the ones that developed the strongest economic ties to the EU or the West. As a result of these differences, CEE states were able to transition toward democracy while the other regions of the former Soviet Bloc were not.25

Second, the economic argument states that because CEE was more economically and politically independent from the USSR compared to former Soviet republics, they were more likely to introduce reforms after the collapse of the communist regimes.26 Furthermore, being that reformer parties in CEE won the first free elections in the post-1989 period, it is suggested that economic reforms were more likely when the communist opposition won. Therefore, in this regard, the development of liberal economics and democracy go hand-in-hand.

Third, the social argument stresses whether the transition period was imposed from above or from below, that is, was the transition imposed by leaders of the old communist regime (imposition from above), or was it imposed by societal challengers who were able to overthrow the old communist elites (imposition from below). If imposed from above, then authoritarian regimes followed, such as has been the experience in post-Soviet Central Asia. If the transition was imposed from below, that is, through mass mobilization of societal groups, than democracy followed, such as has been the experience in CEE. In cases where there was a stalemate between the old regime and its challengers, the result has been illiberal democracies such as in Ukraine and Russia.

Fourth, the political argument stresses that the extent to which democratic institutions are adopted in the former Eastern Bloc has been dependent on the capacity of the state. By capacity of the state it is meant, “the institutional capacity of a central state, despotic or not, to penetrate its territories and logistically implement decisions.” During the communist era CEE states were allowed to exercise some form of state sovereignty from the USSR. Therefore, after the collapse of communism, these same states had already adopted the technical expertise of performing basic state functions. As a result, democracy followed the transition period in CEE. Soviet republics, however, because they lacked control over key

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29 Ibid.: pg909.
governmental institutions during communism, were forced to start their transition period from scratch. As a result, dictatorships and authoritarian regimes followed.

A common feature in the above arguments is the absence of what Whitehead has labeled as the international dimension of democratization. As was mentioned above, the literature on democratization gives considerable credit to the role of the EU in promoting democratization through enlargement, which as Whitehead has argued:

“generates powerful, broad-based and long-term support for the establishment of democratic institutions because it is irreversible, and sets in train a cumulative process of economic and political integration that offers incentives and reassurances to a very wide array of social forces...it sets in motion a very complex and profound set of mutual adjustment processes, both within the incipient democracy and in its interactions with the rest of the Community, nearly all of which tend to favour democratic consolidation...in the long run such ‘democracy by convergence’ may well prove the most decisive international dimension of democratisation, but the EU has yet to prove that case fully.”

Precisely because current literature on the divergent patterns of post-communist transformations has only provided us with broad understandings of such patterns; and the literature on EU enlargement has failed to provide us with a more theoretical understanding of the conditions under which the promotion of democracy by the EU in new member states is likely to be effective, it is necessary that we move beyond these original studies for a clearer understanding of how European integration effects democratic consolidation.

5. An Alternative Explanation

The institutional hypothesis being put forward by this study revolves around an important yet problematic pattern of democratic promotion by the EU, which the Union has applied equally to all candidate states, old and new. The EU is build around what’s commonly been referred to as a “permissive consensus.” The permissive consensus over European integration refers to an unusual high degree of consensus among member states over the implications of the deepening and widening of the European project. In other words, furthering the European project has often taken precedence over the implications of the project itself for member states. This is not to say that member states do not attempt to influence EU policy and the future of the EU in such a way as to reflect domestic interests. Rather, furthering the European project has been often viewed as an end to which member states must sacrifice some of their national sovereignly. This form of integration provides straightforward implications for the enlargement of the EU. Because the Union has been an ever widening and deepening project, new-member states must (generally) accept all obligations of membership upon EU entry. Otherwise, the project itself risks setbacks. The Eastern enlargement was no exception to this rule. In fact, the EU went a step further, obligating CEE states to have implemented EU policy prior to accession. In other words, CEE states had to take on the obligations of membership prior to entry.

Therefore, European integration had a direct influence in the domestic sphere of CEE states by introducing the unconditional adoption of EU legislation. What’s referred to as the pre-accession process infused with the domestic sphere by making European integration and the transitions to democracy one and the same.
In other words, the EU presented the criteria for membership as part of the same process as CEE’s post-communist transformation. Thus when one views the impact of the pre-accession process on the democratization of CEE from a theoretical point of view, it is only logical to expect that its effects would not be universal, considering its interaction with vastly different domestic realities. In this respect, this study adopts Lijphart’s institutional typology to examine the extent to which European integration produced a differentiated effect under differently instituted democracies.

<table>
<thead>
<tr>
<th>Table C: Democracy Scores in CEE</th>
<th>Freedom House Democracy Scores @ Year of membership*</th>
<th>Freedom House Democracy Scores (2014)*</th>
<th>Institutional Score (Executive-Parties Dimension)**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulgaria</td>
<td>2.86</td>
<td>3.25</td>
<td>-.92</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>2.33</td>
<td>2.25</td>
<td>-.17</td>
</tr>
<tr>
<td>Estonia</td>
<td>1.92</td>
<td>1.96</td>
<td>.11</td>
</tr>
<tr>
<td>Hungary</td>
<td>1.96</td>
<td>2.96</td>
<td>-.42</td>
</tr>
<tr>
<td>Latvia</td>
<td>2.17</td>
<td>2.07</td>
<td>.90</td>
</tr>
<tr>
<td>Lithuania</td>
<td>2.13</td>
<td>2.36</td>
<td>-.41</td>
</tr>
<tr>
<td>Poland</td>
<td>1.75</td>
<td>2.18</td>
<td>-.12</td>
</tr>
<tr>
<td>Romania</td>
<td>3.29</td>
<td>3.46</td>
<td>-.15</td>
</tr>
<tr>
<td>Slovakia</td>
<td>2.08</td>
<td>2.61</td>
<td>.18</td>
</tr>
<tr>
<td>Slovenia</td>
<td>1.75</td>
<td>1.93</td>
<td>.71</td>
</tr>
</tbody>
</table>

**Institutional Score degree of correlation with:**
“Year of membership” Democracy scores: r=-.42, p=.229
2014 Democracy scores: r=-.65, p=.042

* The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The 2014 ratings reflect the period January 1 through December 31, 2013.

** The institutional score ranges from -2 to 2. -2 represents purely majoritarian institutional designs, while 2 represents purely consensual institutional designs. The respective scores are averaged amounts, which cover the period from the first free elections after the collapse of communism to 2005.

The institutional argument hypothesizes that the pre-accession process appears to have been more conducive to the consolidation of democracy on those democracies exhibiting stronger consensual institutional designs compared to those with more majoritarian designs. Looking at Table C, we can notice a high degree of correlation between the states’ democracy scores in 2014 and their respective institutional scores during the pre-accession period. Those states that had the most consensual designed democracies during the pre-accession process, today stand as the most democratic states of the region. Furthermore, those CEE states that are categorized as containing the most consensual designs (the Czech Republic, Estonia, Latvia, Poland, Slovakia and Slovenia) stand as the most democratic states of the region, as well as the ones to have experienced the least democratic regression since accession. Although, Slovakia does appear to be the exception as the country’s democracy score has deteriorated from 2.08 in 2004 (the year of EU membership) to 2.61 in 2014. It worth noting, however, that during the pre-accession process Slovakia was one of the most difficult cases in satisfying the political criteria of membership, forcing the EU to threaten postponement of accession or keeping them out of the pre-accession process entirely.  

From the other end of the spectrum, the most majoritarian designed democracies during the pre-accession process have some of the worst democracy scores in the region in 2014. Out of the four more majoritarian designed democracies in CEE (Bulgaria, Hungary, Lithuania and Romania), the three states with the worst democracy scores in 2014 (Bulgaria, Hungary and Romania) were

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also the most majoritarian designed democracies in the region during the pre-accession process. Lithuania appears to be the exception in this regard, as it was one of the most majoritarian democracies in the region during the pre-accession process, yet it is also one of the most stable democracies presently (see important footnote).\footnote{32} Interestingly enough, when the democracy scores at the time of EU entry (2004/07) are correlated with the respective states’ institutional scores, the degree of correlation drops significantly and the relationship is nowhere near statistically significant. This suggests that pre-accession conditionality had been a powerful factor in keeping democracy levels high prior to official EU entry in order to secure membership. \textit{Table C thus raises an interesting question: Why have majoritarian democracies experienced the most democratic regression post-accession, while the more consensually designed ones have remained relatively stable?}

6. Conclusion

The promotion of democracy by the EU in the Eastern enlargement has been one of the most successful cases ever. In a matter of 15 years, CEE was able to make a transition from a region formally aligned with the Eastern Bloc to full EU membership. However, a number of CEE states have experience democratic regression in the post-accession period, while another group of states have become stable consolidated democracies. Nonetheless, the promotion of democracy through

\footnote{32} Although Lithuania appears to be the exception in this regard, when looking at the effective number of parliamentary parties—the defining characteristic which distinguishes majoritarian from consensual democracies, Lithuania falls closer to the consensual end with an average of 4.24 effective parties. Equally noteworthy, when looking at Romania’s institutional score on Table C we notice that its closer to the consensual institutional designs of Poland and the Czech Republic. However, when looking at the effective number of parties, Romania falls closer to the majoritarian end with 3.57 effective parties. Source: Roberts, 2006: pg40.
enlargement remains one of the most effective policies of the EU as can be illustrated by the accession of Croatia in 2013, while the rest of the Balkans remains in the membership queue. Importantly, however, the Eastern enlargement has raised a number of questions concerning the sustainability of reforms in the post-accession period, especially those related to democratic norms and practices.

This study has raised a set of questions over the puzzling outcome of post-accession divergent patterns in CEE, and attempts to argue that the pre-accession process was more conducive to democratic consolidation under consensual democracies than under more majoritarian democracies. The ultimate objective of this study, however, is not simply to provide an absolute truth to the divergent patterns of post-accession CEE, but rather to produce a theoretical argument for such patterns. The study will thus incorporate the European integration literature with the transitions to democracy literature in order to show how the two interacted in the Eastern enlargement.
CHAPTER 1: Literature Review and Theoretical Background

1. Democracy Promotion by the EU

1.1. Intrinsic characteristics of the EU

The EU’s credibility as a promoter of democracy rests at the heart of the organization. Nearly every EU treaty mentions the role of democracy as being the founding principle of the organization and a cornerstone principle that guides its international commitments. In fact, it is widely agreed that the credibility of the EU as a promoter of democracy has increased so dramatically, that in recent years it has even surpassed that of the US.\(^1\) In the democracy promotion literature, there is a split among scholars, one group of who prefers promotion through coercive measures, and the other group who prefers positive engagements.\(^2\) In this regard, the EU, relying largely on positive engagements (mutual agreements), has seen its credibility as a legitimate promoter of democracy rise and become the leading global promoter of democracy.

This is not surprising, however, considering the historical evolution of the European identity. The Preamble of the Treaty of Rome, explicitly states, although in broad terms, that the six founding members are “RESOLVED by thus pooling their resources to preserve and strengthen peace and liberty, and calling upon the other

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peoples of Europe who share their ideal to join in their efforts.”3 In 1973, the members of the European Community adopted the “Declaration on European Identity”. According to the Declaration:

“The Nine (members) wish to ensure that the cherished values of their legal, political and moral order are respected...Sharing as they do the same attitudes to life, based on a determination to build a society which measures up to the needs of the individual, they are determined to defend the principles of representative democracy, of the rule of law, of social justice — which is the ultimate goal of economic progress — and of respect for human rights. All of these are fundamental elements of the European Identity.”4

Similarly, the Preamble to the 2000 Charter of Fundamental Rights of the European Union, states that “Conscious of its spiritual and moral heritage, the Union is founded on the indivisible, universal values of human dignity, freedom, equality and solidarity; it is based on the principles of democracy and the rule of law.”5 Because the EU was founded and has been guided by the principles of democracy, justice, rule of law, and human rights, the characteristics of the Union have gone hand-in-hand with the normative principles of international relations. As a result, the EU has become one of the most influential promoters of democracy in the world.

Simmons has argued that, the EU’s simple existence acts as a promoter of democracy on its own right.6 The previous sentence perhaps best captures what Ian Manners has called the normative power of Europe. According to Manners, the EU’s normative basis has evolved since the symbolic declaration of Robert Schuman in

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1950 and consists of five ‘core’ norms, which make up the normative power of the Union—the centrality of peace, the idea of liberty, democracy, rule of law, and the promotion of human rights. Furthermore, because of this unique normative characteristic, the EU has made its external relations informed by, and conditional on the adherence of such norms. In a similar explanation to Manners, Emerson and Noutcheva have called the EU a center of gravity for democratization in which the EU acts a reference point for the immediate surrounding regions as well as globally. What Manners’ normative power Europe and what Emerson and Noutcheva’s gravity model both illustrate is the intrinsic normative pull of the EU.

Joseph Nye takes a different approach to analyzing the EU. Nye differentiates hard power from soft power. Whereas the former relies on the use of force and coercing others into getting what you want, the latter relies on the power of attraction. In Nye’s own words, “A country may obtain the outcomes it wants in world politics because other countries want to follow it, admiring its values, emulating its example, and/or aspiring to its level of prosperity and openness.” In regards to the EU, because the Union relies largely on the power of attraction rather than coercion—as can be illustrated by its enlargement policy—it’s ability to influence events outside its borders has sored, while the coercive approach, as of late has come under considerable scrutiny.

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8 Ibid.: p241.
Zielonka, contrary to Nye, takes more of a realist position in analyzing the EU’s democracy promotion. The EU, Zielonka argues, “looks and acts like an empire because it tries to assert political and economic control over various peripheral actors through formal annexations or various forms of economic and political domination.”

Contrary to traditional empires, continues Zielonka, the EU has a polycentric governance structure rather than a centralized one; its imperial instruments are primarily economic rather than military or political; territorial acquisitions take place in form of mutual agreements rather than conquests; and more importantly, the legitimacy of such actions rely on the righteousness of EU policies.

In conclusion, however, Zielonka, argues along the same lines as Nye, that the EU is more likely to be influential if it acts as a power model to be emulated and desired, rather than a superpower.

The power and desire of the EU to influence events along normative lines do not consist of external politics alone. In fact, internally, the EU tries to defend some of the very same norms it exports externally. One of the more prominent instances of such a case is the case of Austria. In 2000, fourteen EU members, acting bilaterally and outside the EU framework, imposed a strict set of sanctions against Austria as a response to the Austrian government’s invitation to an extreme-right party to join the government. “An Austrian government that included allegedly xenophobic, nationalistic and neofascist politicians” argues Merlingen, Mudde, and Sedelmeier, “was a threat to the shared self-understanding of the EU. Austria’s

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12 Ibid.
13 Ibid., p483.
European partners therefore had to act in order to defend these norms and the EU’s credibility, both internally and externally.”

1.2. External promotion of democracy

EU programs on democracy promotion range from broad and distant cases such as international agreements with other organizations or states, to more specific and neighboring agreements such as its enlargement and neighborhood policies. In fact, since 1995, nearly every EU agreement with third countries contains a ‘human rights and democracy clause’ which allows the EU to suspend an agreement if it deems that the third country in question is not showing respect for human rights or democratic principles. In reference to Latin America, the EU has signed agreements with Mexico, Chile, and MERCOSUR, all of which have created a dialogue for the promotion of human rights, democracy, and the rule of law. With regards to the Southern Mediterranean, the EU has created a partnership with the countries of the region called ‘The Union for the Mediterranean’. The Union for the Mediterranean stands for “An ambition to build a common future based on the full respect of democratic principles, human rights and fundamental freedoms.”

After the Eastern enlargement, the EU found itself sharing common borders with former Soviet Republics such as Ukraine and Belarus. The fear from the EU was that if neglected, these newly independent states, which were less democratic and less secure than their CEE counterparts, could threaten the security of the Union. The response for Eastern Europe was the European Neighborhood Policy,

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which promised assistance to the immediate neighbors of Eastern Europe, but not full membership.

EU agreements with Asian countries, however, are a bit more problematic. Cooperation agreements with ASEAN do not contain human rights or democracy clauses, although, bilateral agreements with several countries of the region do such clauses. China, South Korea, and the Philippines, to name a few, have continued to refuse political conditionalities as part of their agreements with the EU. The examples of China, South Korea, and the Philippines perhaps illustrate, in a way, the limitations to the EU’s democracy promotion policies.

Unlike the newly independent states of Eastern Europe which were not promised EU membership, regardless of the progress made toward democratization and the adoption of formal liberal economic institutions, the Western Balkan were promised the prospect of membership if the Copenhagen criteria for membership were met. As such, every Western Balkan state (with the exception of Bosnia and Herzegovinian and Kosovo) has achieved candidate status and has officially entered the pre-accession period.

1.3. Enlargement

Enlargement has arguably been the Union’s most effective external policy. Yet, while EU membership is open to nearly every state in the European continent, membership is conditional on a set of criteria. Because this study deals with EU enlargement as a promoter of democracy, the Southern and Eastern enlargements are most interesting due to the fact that both regions entered integrated into the EU soon after their authoritarian breakdowns. In regards to the Southern enlargement,
a broad consensus has emerged among scholars that EU membership helped consolidate democracy in the region. According to Whitehead,\textsuperscript{16} and Linz and Stepan, “the prospect for membership in the European Community produced a substantial long-term pressure for democratization.”\textsuperscript{17} Enlargement, however, was not always a clearly detailed policy of the Union. In fact, it was not until the Copenhagen Criteria of 1993 and the prospect of an Eastern expansion, that enlargement became a detailed and specific policy of the Union, with clear criteria for membership.

The Eastern enlargement also added a new dimension to membership. For the first time in the history of EU enlargement, the expansion of membership was driven not by economics and politics alone, but the security dimension now became an integral part of enlargement. As Zielonka has argued, this “triangle—democracy, free markets, and peace—became a sort of a neo-medieval religion that countries should not only adhere to themselves, but also actively promote abroad through a modern form of a moral crusade.”\textsuperscript{18} With respect to the Eastern enlargement, it is without a doubt that the promotion of democracy, free markets and peace strongly influenced the democratic transitions of CEE. A quote from Romanian scholar Alina


Mungiu-Pippidi, best illustrates that role of the EU in promoting democracy in the region:

“There is no doubt that EU enlargement has been a remarkable success...Not only did the prospect of the EU membership precipitate the reforms that were indispensable for the transformation of CEE states, but since it enjoyed large popular support it also enticed post-communist parties into becoming genuinely pro-EU parties...and as a result, transitions with an EU prospect seem to be the best: they lead to democracy and prosperity earlier and with fewer uncertainties and risks than any other types of transitions [emphasis added].”\(^{19}\)

The quick transformation of CEE has lead many analysts to label the transformation of the region as the must influential case ever of democracy promotion.\(^{20}\) Börzel and Risse have even called it “the most ambitious effort of the EU to promote democracy, human rights, and the rule of law in third countries.”\(^{21}\) Even EU bodies now concur that “enlargement has unarguably been the Union’s most successful foreign policy instrument.”\(^{22}\) Similarly, Pridham has argued that the EU, along with its predecessors has become the primary benefactor of new democracies in Europe.\(^{23}\)

2. The Southern Enlargement

2.1. Membership and democratic consolidation

The Southern enlargement is important for comparative purposes with the Eastern enlargement because the two regions share comparable historical


\(^{20}\) Youngs. 2010: pg1.


\(^{22}\) European Commission, 2003: p5.

backgrounds, and the outcomes were interestingly similar—democratic consolidation post EU-accession (with a few exceptions). It is important that we understand Southern Europe’s European integration, and a good starting point would be the EU’s democracy requirement for membership.

There is no shortage of scholarly works that have labeled the democratization of Southern Europe a success story, while at the same time, contributing part of the success to the role of European integration—whether the democratic precondition of membership played a direct or indirect, primary or secondary role. It is no surprise, however, that scholars have reached such a consensus, being that political elites in all three cases of Southern Europe saw European integration as the next step toward democratic consolidation. In fact, European integration was closely linked to democratization and modernization for all three countries—a convergence of economic and political considerations.

The transitions to democracy in Southern Europe, however, are unique cases for two reasons. First, while democratic transitions rarely translate into democratic consolidation, the cases of Southern Europe are interesting considering that all three states, which happen to fall under roughly a similar geographical region,

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entered their transition periods and consolidated their democracies around roughly the same time. This fact is the more interesting, considering that “democratic consolidation has historically tended to be the exception rather than the rule.”  

Second, unlike the democratic transitions of Latin America which took place around the same time, the Southern European transitions were distinctive for their simultaneous European integrations. It is this second reason that has given birth to a whole new research program on the role of EU enlargement in democracy promotion.

A review of the literature on this relationship has produced considerable consensus among scholars. However, a closer examination of the literature reveals that the experience of Southern Europe with EU integration and democratization has been positive, but with two qualifications. The first qualification relates to the role of economics. As was argued previously, the economic situations in the Southern states played a significant role in destabilizing and ultimately ousting the dictatorships in the region. Yet, the role of economics in engendering democracy did not stop with the end of the transition periods. According to Roccas and Padoa-Schioppa, in all three Southern cases,

“The economic transformation that preceded and accompanied the establishment of democracy...reflected both the influence of the same set of external political, economic and technological developments and the existence of some characteristics common to all four countries. In a final assessment we should only like again to stress the particular role played by the strong drive for international opening and economic integration that stemmed from their participation in the EC [emphasis added].”

Along similar argumentative lines, Thomadakis states that the democratization of Southern Europe was predicated on two conditions: “On the one hand, the significant periods of economic growth for Europe as a whole during the late 1980s and the 1990s amplified the degrees of freedom for economic reform and helped to combine prudent macroeconomic management with structural change in the southern countries. On the other, change in the south passed through an inevitable growth of the economic role and power of the state.” 28

In conclusion, Thomadakis argues that the successful democratization of Southern Europe as a result of European integration, would probably not have occurred under any other conditions. 30

The second qualification relates to the degree to which integration itself played a role in the democratization of Southern Europe. In this regards, a broad consensus has emerged amongst scholars that the international aspect, forces, and factors played only a secondary or complementary role in the transition and consolidation of democracy in Southern Europe. Diamandouros has argued that international influences played only a complementary role to domestic forces. 31

Pridham argues along similar lines by stating that in Southern Europe, external factors were perhaps less obvious, but nonetheless decisive in key moments. 32

Whitehead, makes a broader claim in the Transitions from Authoritarian Rule

29 Thomadakis in Gunther, 2006: p335.
30 Ibid.
31 Diamandouros in: Diamond, 1997: pg7
volume, by arguing that “in all peacetime cases covered here (which included both Latin American and Southern European cases) internal forces were of primary importance in determining the course and outcome of the transition attempt, and international factors played only a secondary role.” In the same volume, Schmitter concludes that, “international factors cannot be made to bear the entire explanatory burden. Indeed, on of the firmest conclusions that emerged...was that transitions from authoritarian rule and immediate prospects for political democracy were largely to be explained in terms of national forces and calculations. External actors tended to play an indirect and usually marginal role.” Perhaps the role of the EU in the transitions of Southern Europe is best captured by Fishman who argues that the “Spanish and Portuguese democracies have been shaped, but not made, by the successful effort of both countries to achieve full EC membership.” Furthermore, as Thomadakis has argued, “the success of European integration in the case of the three southern economies has undoubtedly been an inspiration for the policy for enlargement of the EU.”

3. “Back to Europe” for CEE

3.1. ’Back to Europe”

Immediately after the fall of communism, one of the more important themes that drove the foreign policy of CEE states was the idea of “returning to Europe”.

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The symbolic return to Europe translated into a foreign policy initiative as can be illustrated by the fact that immediately after the 1989 regime changes, CEE states sought to make the prospect of full EU membership a reality as soon as possible.

Although early European initiatives to assist with the transition period in the region, such as the PHARE Program (Poland and Hungary: Assistance for Restructuring their Economies Program) did not contain an explicit or implicit link to a future prospect for membership, subsequent association agreements with the states of CEE had an explicit mention of serving as a stepping stone toward full EU membership. For example, the 1991 Trade and Cooperation agreement with Poland explicitly mentioned that “the final objective of (this agreement) is to become a member of the Community and that this association, in the view of the Parties, will help to achieve this objective.”

Yet, what specifically drove CEE states toward European integration?

3.2. The demand-side of enlargement

Mattli and Plumper argue that most theoretical arguments about enlargement tend to focus on the supply-side of the enlargement, that is, from the perspective of the EU. However, the demand-side, which covers the perspective of the applicant states, has often been neglected in theoretical arguments. According to Mattli and Plumper, demand-side arguments often flow either from constructivist or rationalist perspectives. The constructivist perspective argues that an applicant

39 Ibid.
states seeks membership in an organization if it identifies with the values of the organization. In regards to the EU, the ideals of democracy, freedom, rule of law, and the protection of human rights, resonated strongly among CEE states following their transitions from authoritarian rule. As Timothy Garton-Ash has argued, “if the revolutions of 1989 were inspired by anything, it was by the ideology of liberal-democracy, and by the “model” of Western Europe.”

From the rationalist perspective, a state seeks membership into an organization purely from a cost-benefit analysis. That is, if a state believes that that cost of membership in an organization is outweighed by the benefits of membership, then membership will be sought. In regards to CEE, the benefits of enlargement could not have been more apparent. Looking at Foreign Direct Investment (FDI) flows into the region following the collapse of the communist regimes, it is obvious that CEE states benefited significantly from market liberalization. FDI flows in CEE grew from $3.6 billion in 1992 to $5 billion in 1994 and $11.3 billion in 1997, with most of this coming directly from EU members. These numbers were expected to grow considerably once CEE states were admitted into the Union. Different states, however, pursued EU membership for different reasons. According to Pridham, four imperatives drove the desire for membership in CEE.

First, the historical imperative is closely linked with the ‘return to Europe’ argument. A quote from former Slovak Foreign Minister best illustrates:

“We also see an integrated Europe as a guarantee of the peaceful, secure and stable development of our continent. For Slovakia, the current development is a historic chance to become permanently one of the developed European

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41 Mattli and Plumper in: Schimmelfennig and Sedelmeier, 2005: pg59.
democracies with which our country is closely connected, geographically, historically, culturally and, in particular with regard to values. Slovakia has not always been on the sunny side and more events have happened to us than we have made happen. But that was in the past; now Slovakia lives for today and especially for the future.”

Not even financial transfers from the EU as part of association agreements seemed to have played a bigger role in driving the desire for membership than the psychological fulfillment of returning to Europe. According to Grabbe and Hughes, the goal of membership was so strongly influenced by the desire to “return to Europe”, that political debates in CEE states did not get far beyond this level. In fact, Estonian and Czech leaders had even publicly expressed that they would not need financial transfers from the EU.

Second, the democratic imperative created a strong link between EU membership and democratization, as can be illustrated by a quote from Polish Foreign Minister, Geremek, made during Poland’s commencement of membership negotiations in 1999: “Poland accedes to the negotiations with the conviction that our membership in the European Union is the most profitable choice for reasons of national security, stability of the democratic order, quick and stable economic development and the building of a modern civil society.”

Third, the security imperative was important for all CEE states, however, none more so than for the newly independent Baltic States and Slovenia. EU membership for these states signified not only the symbolic return to Europe, which

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42 Pridham, 2005: pg84-85
44 Ibid.
was equated with prosperity and freedom, but more importantly, European
integration was equated with the guarantee of hard security, for which reason,
initially the Baltic states prioritized NATO membership over EU membership.46
According to Herd, “For all three Baltic states, it is the security benefits flowing from
EU integration that are perceived to be paramount, and EU integration has primarily
been viewed by the Baltic political elites as a medium-term security generator.”47

Finally, the modernization/economic imperative was also of fundamental
importance as the CEE states were engaged in a dual transition, political—from
variations of totalitarianism to democracy; and economic—from command
economies to fully liberated market economies. A quote assessing Slovenia’s
interests in EU membership illustrates:

“Joining the EU will speed up Slovenia’s development. Slovenia will be given
an opportunity to make up its developmental lag and overcome its small size.
Adapting to EU standards will enhance rationalisation and reduce costs. By
integrating into the EU and adapting to its standards, we will boost economic
growth and increase national income ... Slovenia’s integration into the EU
will greatly assist its economic progress and the modernisation of key
activities.”48

Overall, as has been illustrated by the four imperatives mentioned
above, the motives for membership in CEE states were vast and some cross-
national variations can be seen, especially in regards to the security
imperative. However, there does seem to be an observable difference in the
desire for membership across enlargement rounds as well. Whereas in the
Southern enlargement the desire for membership was closely linked with

46 Ibid., p91.
47 Herd in: Henderson, 2005: pg247
48 Pridham, 2005: pg93.
democratic consolidation, the motives for membership in the Eastern enlargement ranged from historical reasons, such as returning to Europe, to more practical ones, such as the economic benefits of membership. In fact, Pridham has even argued that in CEE the economic arguments for membership have often outweighed the political argument, although, this was understandable considering CEE’s dual transition.49

Debates in CEE over EU membership and its implications were conducted mainly among elites, with the public being largely irrelevant. This is understandable, however, considering the high degree of consensus among politicians on the desire for membership. In fact, the degree of consensus over EU membership was so high in certain states, such as Hungary, that a political debate over membership was largely nonexistent.50 As the accession agreements were signed and as the date of accession drew closer, the implications of membership became clearer and thus public debate on membership also grew larger. Yet, before preceding any further on the effects of membership, it is important that we understand enlargement from the supply side, that is, from the perspective of the EU.

3.3. The supply-side of enlargement

The question of why did the EU decide to enlarge eastward has become a contentious issues among students of enlargement. While debates on this question cover a range of issues that would have been affected by the prospect of eastward enlargement, theoretically, the debate is divided between two

49 Ibid.
schools of thought—rationalism and constructivism. The following section will utilize the rationalist and constructivist arguments in order to analyze the supply-side of enlargement.

3.3.1. Rationalist perspective

Rationalist theory posits that states base their decisions on a cost-benefit analysis. In regards to enlargement, member states collectively decide if enlargement will lead to benefits which exceed the cost of such an enlargement. More specifically, according to the economic theory of clubs, an organization enlarges as long as the additional marginal benefits of an additional member are just equal to or above the marginal cost of adding a new member. Yet, because the addition of new members implies that the new member enters into a cost sharing arrangement with the other members, and because the addition of new members also implies that the addition will add some positive value to the organization, enlargement will always be beneficial to the organization. But what were the costs and benefits of the Eastern enlargement?

Scholars have taken different approaches to analyzing the implications of the Eastern enlargement. Bladwin et al., analyzes the Eastern enlargement from an economics point of view. According to Baldwin’s et al. analysis, because the EU market was more important to CEE economies than CEE

52 Ibid.
markets were for EU economies\textsuperscript{53}, integration was going to be more beneficial to CEE states.\textsuperscript{54} Specifically, EU integration was going to lead to an increase in exports of more than 25% for CEE states, while an increase of only 1.5% for the EU.\textsuperscript{55} In budgetary terms, CEE states would contribute €6.7 billion annually to the EU budget\textsuperscript{56}, while at the same time being a recipient of €16.1 billion annually, a difference of about €9 billion in transfers from the EU to CEE.\textsuperscript{57} These estimates might not seem to support the rationalist perspective, being that the EU would be a net loser of enlargement, however, as Bladwin and his colleague so eloquently argue, “Eastern enlargement will be a phenomenally good bargain for the incumbent EU15...This is an extraordinarily low cost given the historic nature of the challenge in central Europe. Imagine how eager western Europe would have been in 1980 to pay €8 billion a year in order to free central Europe from communism and remove Soviet troops from the region.”\textsuperscript{58} Furthermore, the cost of €8 billion a year in exchange for mitigating the negative externalities associated with the political and economic transitions of CEE states would have been a small price to pay.

\textsuperscript{53} Looking at exports and imports between the two regions, CEE states exported a total of 50-60% of their total exports to the EU, while the EU exported only about 4% of its total exports to CEE states.
\textsuperscript{55} Ibid.: p139.
\textsuperscript{56} This part of the analysis in the (Baldwin et al., 1997) study analyzed the impact of only five of the CEE states on the EU budget: Czech Republic, Hungary, Slovak Republic, Slovenia and Poland.
\textsuperscript{57} Baldwin et al.: 1997: p166.
\textsuperscript{58} Ibid.: p168.
In a similar argument to Baldwin et al., Moravcsik and Vachudova argue that the calculated expected economic and geopolitical benefits of eastward enlargement prove to be the most significant underlying forces in driving the politics of the Eastern enlargement. Specifically, Moravcsik and Vachudova argue that in all previous enlargement rounds, member states of the organization have been able to negotiate accession treaties with applicant states, in which the interest and priorities of the applicant states were stripped away one by one until the interest and priorities of the incumbent members were reflected. This has always been the case, argue the authors, and will continue to be the case with CEE.

Skalnes takes a purely geopolitical approach to explaining the Eastern enlargement, arguing that “the main...threat after the fall of communism was that the wrenching changes brought about by the political and economic transitions taking place in Eastern Europe would lead to political instability and the abandonment of reform as well as to nationalist conflicts along the EC’s borders. The fear was that instability and conflict would have spillover effects that would pose a security threat to Western Europe.” As such, argues Skalnes, security or geopolitical considerations, specifically, “the need to promote stability in Eastern Europe,” best explains the decision to extend membership to CEE states. All the aforementioned studies, acknowledge,

59 Moravcsik and Vachudova in: Schimmelfennig and Sedelmeier, 2005: pg198.
60 Ibid.: p200.
61 Ibid.: p201.
63 Ibid.: p213.
either implicitly or explicitly that while constructivism provides different accounts of the Eastern enlargement, it is the rationalist perspective they believe that best captures the decision to enlarge eastward.

3.3.2. Constructivist perspective

Contrary to rational-choice theory, which emphasizes rational calculations, constructivist theory argues that non-rational calculations play the more important role in determining whether an organization will add new members. Although economic benefits are desirable in their own right, it is ultimately issues such as identity, history, culture, values and norms that determine whether enlargement is desirable for an organization. As Schimmelfennig and Sedelmeier have argued “the more an external state identifies with the international community that the organization represents and the more it shares the values and norms that define the purpose and the policies of the organization, the stronger the institutional ties it seeks with this organization and the more the member states are willing to pursue horizontal institutionalization with this state.”

In regards to the Eastern enlargement, Schimmelfennig has argued that the EU’s rhetorical commitment to a European organization of liberal democratic states, led to a rhetorical entrapment for the organization. The EU, Schimmelfennig argues, was found on the ideas of freedom and democracy, and such principles can be found in the criteria for membership. Therefore,

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when the opportunity for CEE states to apply for EU membership presented itself, such states, because they did not possess the sufficient material power in order to secure membership, based their claims on the EU’s past rhetoric on liberal values and norms, and exposed inconsistencies between the Union’s rhetoric and its actions. As a result of the inconsistencies exposed by CEE states, the EU found itself in a rhetorical entrapment, where its members “could neither openly oppose nor threaten to veto enlargement without damaging their credibility as Community members.”

Reaching a similar conclusion, Sedelmeier asks: why would EU members support the Eastern enlargement, despite the cost and the consequences the Eastern enlargement? For example, why would Greece, Spain, and Portugal, the largest recipients of the EU’s Structural Funds support the Eastern Enlargement, when it is clear that enlargement would reduce their transfers from the EU? Sedelmeier argues along the same lines as Schimmelfennig, stating that the EU had implicated itself in the creation of a discourse, which implied the responsibility to support the integration of CEE.

Fierke and Wiener argue that, having encouraged liberal ideas, and having sympathized with democratic forces in the Eastern Bloc during the Cold War, the EU had made an implicit promise to support the development of

66 Ibid.: p143.
67 Ibid.
69 Ibid.: p125.
democratic ideals and norms in Eastern Europe.\textsuperscript{70} In the post-Cold War era, however, Fierke and Wiener argue, CEE states started to feel that the EU wasn’t doing much to contributed to their transitions to democracy. In response to this, CEE states started to expose the discrepancies between the EU’s past promises and current policies. As a result, Fierke and Wiener argue: “In order to maintain the identity of the West as victor in the Cold War, Western institutions had to act with some semblance of consistency with the normative ideals they represented...While failing to provide the massive assistance reminiscent of the Marshall Plan, both the EU and NATO did reinforce the promise of eventual inclusion.”\textsuperscript{71}

The proceeding analysis on the different perspectives of enlargement showed the various theoretical arguments for EU enlargement. The following section analyzes the effects of the accession process on the consolidation of democracy.

\textbf{3.4. The effects of membership}

CEE states were making a quick transition from variations of totalitarian regimes to democratic market economies. Additionally, coupled with the large number of new entrants and complexity of the Union itself, the EU, for the first time in its history was forced to play a significant role in the transformation of CEE. Through what has been called the conditionality principle, the EU was able to infiltrate the domestic policy-making capabilities

\textsuperscript{71} Ibid.: p114.
of CEE states to the point where it has been argued that EU conditionality resulted in the loss of policy-making powers in the candidate states.\textsuperscript{72} As Pridham has argued: “The EU presents the most institutionalised, and hence most confining, international framework not only in Europe but across the world. European integration does not merely involve external affairs...It above all embraces to an already marked degree areas of policy concern traditionally regarded as domestic.”\textsuperscript{73} The conditionality principle, however, is not unique to the Eastern enlargement. Nonetheless, unlike previous enlargement rounds where the accession process was a negotiation process between the two sides, the Eastern enlargement was emblematic for its unconditional accession criteria. CEE states were expected to oblige to a pre-set EU agenda which pre-judged negotiations.\textsuperscript{74} As a result, CEE states lost most of their policy-making capabilities, and instead competed over the implementation of such policies.

Heather Grabbe has called this form of imposition, \textit{hard policy transfer}, which was an essential condition for membership. Grabbe differentiates between \textit{hard and soft policy transfers}: Hard transfers referring to the transfer of EU policies that its members have already agreed to; Soft transfers referring to the transfer of ideas, concepts, and attitudes.\textsuperscript{75} While the hard transfer of policies has been successful in CEE, as is illustrated by the fact the CEE states were able to achieve EU membership, the soft transfer of ideas, concepts, and

\textsuperscript{73} Pridham, 2005: pg11.
\textsuperscript{74} Grabbe, 2006: pg36.
\textsuperscript{75} Ibid., p57.
attitudes has become problematic because of the vary nature by which EU imposed hard policy transfers. Grabbe argues that, because EU conditionality forced CEE states to compete over implementation rather than alternative policies it did not encourage the development of democratic pluralism. In other words, because the pre-accession process prioritized the efficiency of policy adoptions over the legitimacy of such policies, the EU, paradoxically, while acting as a beacon of legitimacy in driving CEE states toward democracy, at the same time, it undermined the development of democratic practices.

Grabbe is not the only scholar to reach this conclusion. Prior to the accession of CEE, Whitehead warned that, while the political conditionality principle is generally accepted by candidate states, there is a considerable risk that the need to fulfill the membership criteria will override the need to create a domestic consensus through democratic procedures behind such reforms, and “if the politicians of the candidate countries find that they can disregard such democratic procedures [emphasis added] because of the urgency of the accession process, it is all too likely that a cavalier style of policy-making will take hold more generally.” Similarly, Pridham has argued that while the accession process certainly pushed CEE states toward democratic consolidation, doubts have remained over the permanence of such changes, since these countries cease to be subject to EU conditionality once becoming members.

76 Ibid., p207-208.
77 Whitehead, 2001: pg436.
3.5. Post-accession variation in levels of democracy

When the ten CEE states joined the EU in 2004 and 2007, the idea was that these states had become firmly established democracies and were ready for membership. Furthermore, as was made clear via the theoretical arguments provided above, EU membership was supposed to contribute to the consolidation of democracy in new members states. However, post-accession, we have been witnessing variational outcomes and democratic regression. The 2004 entrant, Hungary, has made the biggest turnaround in this respect. According to Freedom House’s democracy index, Hungary which had a democratic score of 1.96 in 2004 and was considered as one of the frontrunners in CEE, has seen its democracy score rise to 2.96 in 2014, which in Freedom House ratings means it is close to loosing its ‘consolidated democracy’ status and becoming a ‘semi-consolidated democracy’. Romania and Bulgaria, the late comers to the EU (2007 entrants), having made the slowest and least progress toward democratic consolidation at the time of accession, have been experiencing slow democratic regression since accession, while at the same time being the least democratic states in the EU (see Table A in Introduction to this study). The rest of the new member states on the other hand are slowly moving toward democratic consolidation without any major democratic crisis since accession.

How can these variations be explained? Paul Blokker takes a constitutional approach to explaining the democratic crisis in CEE. Blokker argues that the pre-accession period “prioritized formal institutions related to the rule of law, separations of power, and human rights regimes” while overlooking the
“sociological-substantive dimension to the building of constitutional democracy...that is, a dimension that involves democratic learning and deliberation, as well as engagement and participation.” Blokker differentiates between legal constitutionalism, which emphasizes a rigid distinction between law, politics and judiciary supremacy, and civic constitutionalism, which emphasizes interaction between laws and politics, and parliamentary supremacy. This distinction is important because in relation to the pre-accession period of CEE, Blokker argues that the strict form of legal constitutionalism as opposed to more democratically prone civic constitutionalism was preferred. The prioritization of legal constitutionalism during the pre-accession period in CEE Blokker argues, has contributed to the democratic crisis post-accession. Blokker does make an interesting and important contribution to understanding the democratic crisis in post-accession CEE, yet he does not provide an explanation for the variation among the new member states. In fact, Blokker analyzes five cases (the Czech Republic, Hungary, Poland, Romania and Slovakia). However, he does not explain why certain states, such as Hungary have experience the biggest democratic regression while the Czech Republic, which also endured a similar pre-accession process, has become one of the most firmly established democracies in the region.

Spendzharova and Vachudova, analyzing the two laggards—Romania and Bulgaria—argue that the twin forces of EU incentives and domestic influences

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80 Ibid.
81 Ibid.: p4.
82 Ibid.: p2.
largely explain the democratic regression or lack of reforms in the post-accession period. According to Spendzharova and Vachudova, EU incentives such as full EU membership (in the pre-accession period), EU funding and Schengen entry (in the post-accession period) strongly influence elite choices and have remained stable over time.\textsuperscript{83} Domestic incentives such as public support for integration on the other hand have changed over time.\textsuperscript{84} In the pre-accession period the EU could threaten to withhold membership if candidate states did not comply with the accession criteria. Therefore, due to large levels of public support for integration, elites were forced to comply with EU demands. However, post-accession, EU demands seemed to have gone unnoticed, as the public was preoccupied with the severe economic problems of the global recession. As a result, due to the collusion of political elites who “closed ranks in order to roll back reform”, much of the progress in fighting corruption and creating an independent judiciary have been reversed in the post-accession period.\textsuperscript{85}

Venelin Ganev offers a similar argument to Spendzharova and Vachudova and labels the post-accession politics of Romania and Bulgaria as “post-accession hooliganism”. Borrowing from the work of Hilton L. Root, Ganev shows how corruption during eighteenth century France and Britain was remarkably different in the two countries—“cronyism” in France and competitive rent seeking in Britain. The difference between the two lies in the relationship between the corrupt

\textsuperscript{84} Ibid.
\textsuperscript{85} Ibid.
politician and the other party. Under cronyism, corruption practices were closed to those who held personal relationships with the corrupt politician; whereas under competitive rent seeking, corruption was an open process to everyone willing to make a bid. The difference under competitive rent seeking was that, “those who wished to offer bribes had to articulate at least a rudimentary argument as to why the corrupt transaction with self-interested politicians might be of mutual interest.”

The implications of the two types of corruption (cronyism and competitive rent seeking) produced markedly different results: “the former precipitated the decline and ultimate collapse of an entire political system (France), whereas the latter facilitated the rise of relatively accountable governance and efficient markets (Britain).”

Ganev argues that these two types of corruption practices have been found in Romania and Bulgaria at different times during their post-communist eras. During the pre-accession period, competitive rent seeking took hold in the two countries because the prospect of EU membership was too economically rewarding. Specifically, Ganev shows that the inflow of FDI created an environment where competitive rent seeking was preferred to cronyism due to the simple fact that the former was more rewarding than the latter. In other words, the closed and secretive nature of cronyism was replaced with open and competitive rent seeking practices in the pre-accession period. After EU entry was secured, however, Ganev argues that “Bulgarian and Romanian political elites apparently forsook the effort to

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87 Ibid.
expand the economic playing field and rediscovered the charms of cronyism.”

In conclusion, Ganev argues that the swing away from competitive rent seeking toward cronyism has exacerbated the corruption problem, subverted the stable normative political framework, and resulted in the abandonment of state-building efforts.

What Ganev’s argument shows is the different kind of elite behavior that emerged in Romania and Bulgaria in the post-accession period. Similar pre-versus-post-accession behavior can also be seen in Hungary as well. Viktor Orban, current leader of the ruling Fidesz party and one of the biggest supporters of EU membership during the pre-accession period, responded to a 2012 request by the EU to amend certain aspects of the new constitution by saying that “We do not need the unsolicited assistance of foreigners wanting to guide our hands...Hungarians will not live as foreigners dictate, will not give up their independence or their freedom, therefore they will not give up their constitution either.”

Other studies that have tried to explain the divergent patterns of post-communist transformations in Eastern Europe have tended to focus on Eastern Europe as a whole, and as a result, have been able to offer only region-wide explanations. While there have also been numerous case studies which look at individual CEE states and how the drive for membership influenced or hurt democratization in a particular state, no generalized explanation exists as to why certain CEE states have experienced democratic regression post-accession while

others have not. The following two explanations capture some of the common arguments often cited as explanations for the divergent patterns within CEE.

3.5.1. Political parties and the EU

The political parties argument stresses the effects of EU conditionality on party politics. Through an analysis of all ten CEE states now members of the EU, Vachudova finds that, “in almost all cases, major political parties respond to EU leverage by adopting agendas that are consistent with EU requirements in the run-up to negotiations for membership.”91 In this respect, former communist, illiberal, and even authoritarian parties innovated their ideological profiles to appear more supportive of EU integration.92 However, after attaining the goal of EU membership, these parties then revert back to their original ideologies, which in many cases have nationalist and authoritarian roots. What is interesting is that, immediately after membership, many of the party coalitions in CEE states that formed for the purpose of attaining EU membership dissolved.93 It is not surprising, however, that in the post-accession period, party politics in CEE were in disarray. Being occupied with the goal of membership from the moment of inception, these parties found themselves lost and out of ideas once the ultimate goal of EU membership was achieved.94 Furthermore, because the conditionality principle prioritized the efficiency of policy adoptions over public debates concerning such policies, the EU,

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92 Ibid.: pg864-865.
argue Grzymala-Busse and Innes, has encouraged both, technocratic competition and its populist response.\(^95\)

Levitz and Pop-Eleches find that political conditionality on candidate states, which contributed to the suppression of tensions before accession might have contributed to the political instability in the region post-accession.\(^96\) Keeping in mind the unusual coalitions formed prior to accession in order to appear more supportive of the EU, it would appear as only a natural response that after accession and the breakup of coalitions, political instability would be on the rise. However, political instability does not necessarily equate to the loss of democratic values and practices. While political instability is defined as an aberration from acceptable forms of formal (legal) and informal (normative) acts,\(^97\) democratic regression is defined as the loss of democratic values and practices. In essence, political instability has more of a temporary nature, while democratic regression has a more permanent or at least long-term nature.

Getting back to the political parties argument, while political instability has been felt throughout the region after the attainment of EU membership, democratic regression at a high degree has only been felt in Bulgaria, Hungary and Romania. The political parties argument is therefore highly instructive in suggesting that the pre-accession process had an impact on political competition. However, it fails to

\(^{95}\) Grzymala-Busse and Innes. pg72.


provide an argument as to if the pre-accession process had a variational effect across different party systems.

3.5.2. Loss of leverage by the EU?

As previously argued, strict conditions set by the EU for the purpose of accession seem to have a powerful effect in forcing compliance in candidate countries. But what happens after these countries attain membership and the conditionality principle no longer applies? This is not to say that EU influence vanishes once membership has been secured. Rather, the loss of leverage argument is stating that the relationship between the EU and the states of CEE becomes more symmetrical in the post-accession period. Whereas prior to accession the relationship between the EU and the candidate states was asymmetrically in favor of the EU, post-accession, CEE states have become equal partners of the Union, and as a result, command more freedom in their actions. Yet some scholars would mistakenly argue that immediately after accession the influence of the EU disappears. Mungiu-Pippidi argues that,

"When conditionality has faded, the influence of the EU vanishes like a short-term anesthetic. The political problems in these countries, especially the political elite’s hectic behavior and the voters’ distrust of parties, are completely unrelated to EU accession. They were there to start with, though they were hidden or pushed aside because of the collective concentration on reaching the accession target. ...Now that countries in the region have acceded to the EU, we see Central and Eastern Europe as it really is—a region that has come far but still has a way to go."98

Although the latter part of that argument is certainly true, and CEE states do have a long way to go, at least until democratic consolidation is firmly established,

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the first part of the argument that EU influence vanishes like a short-term anesthetic has been disputed.

Levitz and Pop-Eleches have found that EU leverage does not disappear after a country has attained membership by arguing and showing statistically that the gap left by the loss of EU conditionality is mitigated through other sources such as Structural Funds, which increase after membership.\footnote{Levitz and Pop-Eleches, 2010: pg471} Furthermore, the same study finds that the greatest progress in regards to improving a country’s democratic score (using FH-NIT democracy scores) was achieved during the pre-candidacy period, that is, before the onset of consistent EU conditionality.\footnote{Ibid., p465.} Thus, the study disputes the loss of leverage argument on two levels. On the one hand the study found that loss of conditionality does not eliminate EU leverage because leverage is gained though other sources such as Structural Funds. On the other hand, it appears as if conditionality did not play such a strong role as often argued, being that most of the work done toward democratization was achieved during the pre-candidacy period.

From another angle, according to Sedelmeier, although membership changes the incentive structure of compliance, the institutional changes there were achieved for the purpose of membership do continue after accession because of what Sedelmeier calls the \textit{lock-in of institutional change}. Sedelmeier argues that post-accession, the sustainability of such changes is possible because: one, the relative benefits of an initial institutional choice compared to other choices increases over

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\item \footnote{Levitz and Pop-Eleches, 2010: pg471}
\item \footnote{Ibid., p465.}
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Furthermore, a recent special issue of the \textit{Journal of European Public Policy} with a focus on compliance in post-accession CEE, finds that, contrary to expectations, post-accession compliance has remained high in a significant number of cases across a number of issues.\footnote{Rachel A. Epstein and Ulrich Sedelmeier. "Beyond conditionality: international institutions in postcommunist Europe after enlargement." \textit{Journal of European public policy} 15.6 (2008): 795-805. Print. pg800.}

Therefore, the claim that Bulgaria, Hungary and Romania are backsliding because the EU no longer possesses leverage over them is not supported. The loss of conditionality argument stands on even weaker grounds when applied exclusively to Romania and Bulgaria, both of which have yet to join the Schengen Area, an issue that the EU makes conditional on the technical preparedness of the two countries.

4. \textbf{An Alternative Explanation}

4.1. Institutional hypothesis

Arend Lijphart’s \textit{Patterns of Democracy}, shows that democracies are divided into two types—majoritarian and consensus. Based on Lijphart’s institutional typology, this study hypothesizes that those CEE states that are experiencing the strongest cases of democratic regression are the same states that exhibited the strongest majoritarian institutional designs during the pre-accession period. Yet, because the democratic regression that is being experienced in CEE began during the post-accession period, it is the argument of this study that the rigid pre-
accession process was more conducive to democratic consolidation in those states exhibiting consensual institutional designs than those exhibiting majoritarian institutional designs. The logic of the institutional argument does not hold when applied to the Southern enlargement because the accession process of the Southern states did not include the strict and extensive conditionality principle. As a result, the accession process in the Southern enlargement did not preclude the newly established democracies of Southern Europe from gaining valuable experience in democratic policy-making and consensus building—all essential features of a well functioning democracy.

The Eastern enlargement was not only different in the sense that membership criteria were stricter and the EU played a direct role in preparing the states of CEE for membership, but more importantly, by depriving the newly established democracies of CEE from learning a number of essential democratic functions, the EU unwittingly contributed in preventing the formation of a democratic political culture. Thus subsequently, post-accession, it only requires a logical extension to argue that in those states where the pre-accession process proved more detrimental to the consolidation of democracy, a democratic crisis has ensued.

The mechanism through which this hypothesis rests is related to the important concept of ‘political learning’. According to Dawson and Prewitt, political socialization, “the processes through which a citizen acquires his own view of the
political world,” is acquired through political learning. According to the authors, political learning can take two forms: direct, in the sense that the content being transmitted is specifically political; and indirect, in the sense that the content being transmitted is not specifically political, but may influence the development of the political self. The European integration of CEE was specifically political, and therefore, in the context of this study, it is hypothesized that the pre-accession process had a direct affect on political learning. This process of democratic learning, however, appears to have been suppressed to a significant degree in CEE as a result of the pre-accession process. As Grabbe, Pridham, Whitehead, among many others have argued, there was always a possibility that the nature of the pre-accession process risked having detrimental affects on democratic norms and practices in the post-accession period due to changes in the incentives structure, once the candidate states had reached their ultimate goal of EU membership.

Yet the important question remains: If the accession process suppressed democratic learning, why is this effect more apparent in majoritarian democracies than consensual democracies? Majoritarian democracies are characteristic of two-party systems, single-party cabinets, and most importantly, executive dominance over the legislature. These factors, in-and-of-themselves are not detrimental to

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104 Ibid.: pg73.
105 According to Dawson and Prewitt (1969) there are several forms of direct political learning: 1, through the process of imitation which the authors dub as the most extensive and persistent form of political learning; 2, through anticipatory socialization in which actors adopt values and behaviors according to expected changes; 3, through political education in which there is a the individual being socialized as well as the socializer; 4, and perhaps most important, through one’s own experience with politics.
political learning. However, when the rigid pre-accession process is thrown into the difficult process of democratic political learning, there appears a logical expectation that under such majoritarian systems where power is concentrated in the hands of a few, political learning can be severely impeded when the only source of competition between political parties is not alternative interests or policies, but rather the implementation of external policies. It is important to remember that as Lipset has pointed out, political competition constitutes the most minimalist definition of democracy.\textsuperscript{106} Therefore, if the transition to democracy phase (the most important phase for the process of democratic political learning as Bermeo has argued)\textsuperscript{107} is overshadowed by a rigid pre-accession process, there is a considerable risk, especially under majoritarian systems, that a democratic political culture of compromise, competition and inclusiveness can be elongated, and as a result prolong the consolidation of democracy. Theoretically, this effect is clearly illustrated by the dynamics of the pre-accession process where political competition severely restricted the policy-making capabilities of national legislatures.

The effect that I am describing here is less apparent under consensual systems where multiparty systems, coalition governments, and a balanced relationship between the executive and the legislative are the norm. Under such systems, even a pre-accession process such as that of the Eastern enlargement cannot hamper political learning to the extent that it does under majoritarian systems, because under consensual institutional designs, a culture of compromise, competition and


inclusiveness are almost by definition a necessity for effective governance.

Theoretically, under consensual systems, the dynamics of the Eastern enlargement might even strengthen the already existent culture of compromise and cooperation by fostering cooperation over the adoption of the *acquis*.

Interestingly enough, it also appears that euroscepticism over European integration was less prominent during the pre-accession period under more majoritarian designed democracies. Although euroscepticism is a fuzzy concept and different scholars have used different measurements of it, in its essence euroscepticism measures the extent to which there is domestic opposition to European integration. Domestic opposition can take the form of public euroscepticism, meaning a portion of society is against European integration either in its current form or in its totality or party-based euroscepticism, which can also take the form of opposition against the current form of European integration or anti-systemic opposition. The degree of euroscepticism in a given candidate state during the pre-accession period is important because it provides a source of political competition during a pre-accession process under which political competition was severely hampered due to the conditionality principle of the accession criteria. In this respect, it is worth noting that as Borzel has argued, “EU conditionality did not leave much room for socialization through processes of social learning and policy emulation. Moreover, it undermined the overall legitimacy of

European integration since the candidate countries had no say in the creation of the rules that they were expected to adopt [emphasis added].” Thus when euroscepticism is viewed as a source of political competition, it adds a degree of legitimacy to the pre-accession process, as those who's interests would be affected by integration and voices were suppressed due to the conditionality principle, were able to voice their opposition through eurosceptic parties. More importantly, however, euroscepticism in this respect contributes to political learning by preventing the reduction of political competition into an administrative process.

The institutional hypothesis will therefore attempt to better understand how the pre-accession process affected political competition in candidate states, and by extension, the effect this had on the democratic learning, political culture and the consolidation of democracy. Thus, precisely because the EU applied a one-size fits all, top-down approach toward the Eastern enlargement, without any consideration for country-specific institutional settings and democratic learning, I hypothesize, that the EU has unwittingly contributed to the democratic regression being experienced in post-accession CEE.

5. Critical Evaluation

5.1. The international context of democratization

Democratic transitions were largely thought to be explained by domestic factors, in which international factors were either ignored or viewed as only secondary in nature. For example, in the Transitions from Authoritarian Rule

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volume, Schmitter argues in relations to Southern Europe that “One of the firmest conclusions that emerged...was that transitions from authoritarian rule and immediate prospects for political democracy were largely to be explained in terms of national forces and calculations. External actors tended to play an indirect and usually marginal role.”\textsuperscript{110} This conclusion, however, that international factors play only a marginal role in democratic transitions has been disputed.\textsuperscript{111} Through a statistical model of over 100 regime transitions, Pevehouse finds that membership in a democratic international organization (democratic organization in this case meaning an organization in which the highest percentage of its permanent members are considered established democracies) is positively related to the likelihood of a transition to democracy, even when controlling for domestic factors such as economic trends and past experiences with democracy.\textsuperscript{112} Pevehouse concludes that while membership in a democratic international organization is not the strongest factor in the prospect for democracy, the international dimension cannot be excluded from the analysis.\textsuperscript{113}

Pridham has argued that the secondary nature of the international dimension of democratization, as has been commonly argued by Schmitter, is not so clear-cut in the case of Southern Europe as originally thought.\textsuperscript{114} Similarly, Whitehead argues that, “although the establishment and consolidation of

\textsuperscript{112} Pevehouse, 2002: pg536.
\textsuperscript{113} Ibid., p539.
\textsuperscript{114} Pridham, Herring, and Sanford, 1997: pg9.
democratic regimes requires strong commitment from a broad range of internal political forces, we must not overlook the distinctly restrictive international context.”115 The recent accession of CEE into the EU only reinforces the argument for the international dimension of democratization.

While the EU has actually engaged in democracy promotion through its enlargement policy or other means, the efficacy of such promotions has been questioned. In a 2005 article, Levitsky and Way analyze the extent to which linkage (the density of a country’s ties to the United States, the European Union, and Western-led multilateral institutions) and leverage (a governments’ vulnerability to external pressure) contributed to their adoption of formal democratic institutions. The article finds that the closer the economic and political ties of a country to Western institutions or states, and the closer the geographical proximity to the EU or US, the higher the chances of a stronger and more stable democracy developing.116 In a similar attempt, analogizing from the gravity model of trade economics, Emerson and Noutcheva develop a theory they call the ‘gravity model’ of democratization. According to the gravity model of trade economics, the size of GDP and proximity of trading partners is an indicator of the size of trade between them. In democratic terms, the gravity model translates into the EU becoming a center of gravity for democratization. In this regard, the authors find that the presence of the EU in a continent or a country goes far in explaining the success or failure, and

speed of democratization.\textsuperscript{117} Testing how effective democracy promotion has been in 36 target countries in the immediate neighborhood of the EU (Eastern Europe and the Mediterranean), Schimmelfennig and Scholtz find that the offer of EU membership is the only reliable EU incentive for the promotion of democracy in the European Neighborhood.\textsuperscript{118} Interestingly, what all the aforementioned studies commonly show is that the promotion of democracy by the EU is geographically limited to its immediate neighborhood.

5.2. Lessons form prior enlargement rounds

While the experience of Southern Europe with European integration was a powerful one, in the sense that following accession, all three countries experienced rapid economic growth, their democratic regimes consolidated, and the prosperity gap between themselves and the EU average closed considerably, one must not be too inclined to generalize these results into other enlargement rounds, such as to the Eastern Enlargement. As Schmitter has argued, if the Eastern states take the experience of South European integration as the norm, “they are going to be disillusioned by the time they have negotiated their fee for getting into the club. And if they expect to perform as well during the subsequent 15 years, they are going to be even more disappointed.”\textsuperscript{119} Youngs disputes Schmitter’s argument that the Eastern states will be disillusioned if they take the experience of Southern Europe as the norm, by arguing that the Eastern enlargement was arguably the most successful

\textsuperscript{117} Emerson and Noutcheva, 2003: pg3.
\textsuperscript{119} Schmitter, 2003: pg321.
case ever of democracy promotion. However, the two scholar, I believe, are offering different perspectives of the same event: While Schmitter is concerned with EU integration acting as an anchor for democratic consolidation; Youngs is purely concerned with the promotion of democracy by the EU, that is, whether the EU was effective in promoting democracy in CEE, irrespective of the level of consolidation.

Nonetheless, the integration of CEE has been an extremely successful case when one considers that CEE states were transitioning from one of the twentieth century’s most brutal forms of dictatorship. Although there are many explanations for the swiftness of such a dramatic change in a matter of less than a decade, there now exists a consensus among scholars that the prospect of EU membership played a significant role. While many of the explanations for regime change in the region have focused on domestic conditions, the international dimension of democratization has become one of the more important factors in determining the speed of regime change in CEE.

5.3. Conclusion

As stated previously, the promotion of democracy by the EU in CEE has been one of the most successful cases ever of democracy promotion. In a matter of 15 years, the states of CEE were able to make a transition from states formally aligned with the Eastern Bloc to full EU members. Albeit, with some exceptions. Post-accession, we have been witnessing the states of Bulgaria Hungary and Romania enter a period of democratic regression in which much

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120 Youngs, 2010: pg1.
of the progress toward democratic consolidation made during the pre-accession period is withering away. While the rest of CEE has generally maintained its progress toward democratic consolidation. Nonetheless, the promotion of democracy through enlargement remains an effective policy of the EU as can be illustrated by the addition Croatia. While it is without a doubt that the influence and leverage of the EU in the accession process of new members has increased, the Eastern enlargement has raised several questions, such as the ones addressed by this study:

While there exists a plethora of literature on detailed case studies making the link between the international context and democratization, “there are no cross-national empirical studies suggesting the conditions under which this relationship might hold.”\textsuperscript{121} Furthermore, the literatures on enlargement and democratization have largely ignored each other.\textsuperscript{122} It is precisely because of this problematic manner under which democratization under the international context has been studied that this study is attempting to contribute empirically and theoretically. By looking across enlargement rounds this study will look to generate findings that will be generalizable across enlargement rounds and across time.

\textsuperscript{121} Pevehouse, 2002: pg516.
CHAPTER 2: Methodology and Research Design

The purpose of this study is to address the variations in the levels of democratization in post-accession CEE by examining the pre-accession process and discerning the impact of European integration on the consolidation of democracy. Specifically, why have certain new member states such as Bulgaria, Hungary, and Romania experienced democratic regression after their accession into the EU, while other CEE states have either remained stable in democratic terms or made considerable progress toward democratic consolidation?

This study hypothesizes that the pre-accession process did not have a universal effect in the Eastern enlargement. In other words, the EU accession process was more conducive to democratic consolidation in those states exhibiting stronger consensual institutional designs than those exhibiting stronger majoritarian institutional designs. The institutional hypotheses, I argue, does not hold explanatory power when applied to the Southern Enlargement, for two reasons: One, the Southern states were lucky to accede into the EU at a time of a general economic upturn; second, due to the fact that the EU followed a ‘hands off approach’ in the accession process of the Southern enlargement, the Southern states did not lose their policy-making powers during the accession process. Thus, the accession process itself did not affect the consolidation of democracy.

In order to test this hypothesis, six detailed cases will be analyzed. Four cases will be selected from the Eastern enlargement—two cases where there has been noteworthy post-accession democratic regression, and two cases where
democratic stability has been the case. In this respect, I have selected Hungary and Romania as the two cases where noteworthy democratic regression has taken place. From the other end, Slovenia and Estonia, as scored by Freedom House, stand out as the two most democratic states of CEE. However, due to comparative reasons, which will be discussed below, Slovenia and Estonia, much smaller states than Hungary and Romania, in geographical and population terms do not make a good comparison. Thus, I have selected the Czech Republic and Poland as the more appropriate comparisons.

Table 2.1

<table>
<thead>
<tr>
<th></th>
<th>Southern Enlargement</th>
<th>Eastern Enlargement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GDP (current $)</strong></td>
<td>98.4 (1994)</td>
<td>514.7 (1994)</td>
</tr>
<tr>
<td><strong>HDI</strong>**</td>
<td>0.76 (1995)</td>
<td>0.81 (1995)</td>
</tr>
</tbody>
</table>

*In millions

**In billions. Expressed in Current US$.

*** In thousands of Current International US$.

**** HDI ranges form 0 to 1 with 0 being no human development and 1 absolute human development.

***** GINI Index ranges from 1 to 100 with 1 being perfect equality and 100 perfect inequality.
The other two cases are selected from the Southern enlargement. Due to the fact that the entire Southern enlargement is considered a “success story”, there will be no intra-enlargement round comparison for the Southern enlargement. Thus the Southern enlargement will be analyzed for the purpose of better understanding how European integration affects democracy under different accession criteria compared to the Eastern enlargement. The findings from the Southern enlargement will then be directly compared against the four cases from the Eastern enlargement. In other words, having originally tested my hypothesis on the Southern enlargement, I will then apply the same hypothesis on the Eastern enlargement in order to determine whether or not European integration in the Southern enlargement had similar effects to that of the Eastern enlargement. From the Southern enlargement I have selected Spain and Portugal. Table 2.1 provides a general comparison of the six cases.

1. A “controlled comparison” of six cases

The framework of this study is based on the theoretical argument that EU membership contributes to the consolidation of democracy. This argument, however, has been questioned due to the outcome of the Eastern enlargement. Therefore, in order to test this theoretical argument, a ‘controlled comparison’ of six ‘most-similar’ cases will be preformed. Before proceeding into the reasons of why this comparison is appropriate, it is important that the concept of a ‘controlled comparison’ of most-similar cases is explained.

A ‘controlled comparison’ draws its logic from experimental studies. Experimental studies randomly select a number of individuals, which are thought to
represent an average individual from the population of interest. This group of
individuals is then divided into two groups, one group often referred to as the
control group and the other as the experimental group. The two groups will then be
separated from one another in which the experimental group will receive some kind
of treatment and the control group will not. The logic behind the division of two
groups in which only one of the groups will receive the treatment is to isolate all
possible independent variables from the experiment, except for the treatment
received by the experimental group. If the experiment produces results that are
significantly different between the two groups, the researcher is then able to isolate
the treatment received by the experimental group as the cause of the effect that was
observed in the outcome. In such experimental studies, cause and effect is easy to
show because with the exception of the treatment that was received by the
experimental group, all other possible explanatory variables are controlled for.
Therefore, all else being equal, the treatment caused the effect.

Lijphart argues that the same logic found in experimental studies applies to
‘controlled comparisons’.¹ Take a comparison of two cases as an example for
illustration. The researcher identifies two cases that are significantly similar to one
another, yet have produces different results as far as an outcome is concerned. By
selecting similar cases that have produced different outcomes, the research is able
to ‘control’ for the similarities of the two cases, while focusing on the differences
between the two cases as possible causes of the outcome. As Przeworski and Teune
argue, “Intersystemic similarities and intersystemic differences are the focus of the

¹ Arend Lijphart. "Comparative politics and the comparative method." The american
"most similar systems" designs...Common systemic characteristics are conceived of as ‘controlled for,’ whereas intersystemic differences are viewed as explanatory variables.”

The ideal controlled comparison will select cases which are as similar as possible. By doing so, the number of possible independent variables is reduced— theoretically, the higher the number similarities between the cases, the lower the number of differences. Thus as Lijphart argues, a controlled comparison is only an imperfect substitute of the experimental study. Nonetheless, the controlled comparison method often used in comparative analysis has become an important method in theory building and theory testing. As George argues: “Theory attempts to absorb the ‘lessons’ of a variety of historical cases within a single comprehensive analytical framework; it is the task of theory to identify the many conditions and variables that affect historical outcomes and to sort out the causal patterns associated with different historical outcomes.” Similarly, Przeworski and Teune argue that if the explanation of social events “is to be general, parsimonious, and causal, then the accumulation of knowledge confirmation and/or modification of theories must involve comparative research...Only if the classes of social events are viewed as generalizable beyond the limits of any particular historical social system can general lawlike sentences be used for explanation.”

To conclude this brief explanation for the appropriateness of a controlled comparison for the study at

3 Lijphart, 1971: pg685.
hand, it is also important to note that both, Lijphart, and George recommend the combination of a controlled comparison with quantitative analysis, as the two are complementary and the latter type contributes by subjecting the “the causal hypotheses developed via historical explanation in the controlled comparison study to a different kind of statistical test of causal significance.”

2. Framing the Research Design

The theoretical argument that EU membership contributes to democratic consolidation has been questioned following the accession of CEE. Yet, the aberration of a few cases out of the total universe of cases does not necessarily invalidate a theory. Rather, the unexpected outcome of a few cases provides an opportunity for researchers to test and refine theory further. In order to better understand the theoretical argument that is being examined by this study, it is important that deviant cases are directly compared to conforming cases for the purpose of refining the causal mechanisms that bring about democratic consolidation as a result of European integration.

As has already been suggested, the level of democracy will be the dependent variable for this study. Although numerous democracy indices exist that attempt to measure the level of democracy at country level, according to Munck and Verkuilen, without a single expectation, every index suffers from weaknesses of some

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6 Lijphart, 1971: pg685
7 George, 1979: p61.
importance. Through a comparative analysis of nine of the most commonly used democracy indices, Munck and Verkuilen find that all nine are highly correlated with one another, which they argue is a confirmation of the indices’ reliability. The high degree of correlation, warn Munck and Verkuilen, should not be confused with a confirmation of validity, however. The fact that all nine indices are highly correlated is a confirmation that “for all the differences in conceptualization, measurement, and aggregation, they seem to show that the reviewed indices are tapping into the same fundamental underlying realities.” In other words, all nine indices are equally consistent in being equally “invalid”. Thus their reliability should not be confused with their validity. Due to this combination of facts—the high degree of correlation among all the different indices and their common weaknesses, I have chosen to utilize the following indices: the Freedom House Nations in Transit Report (FH NIT); the Polity IV Project; and the Unified Democracy Scores (UDS), all of which have a comprehensive empirical scope to cover the pre-accession and post-accession periods for the Southern and Eastern enlargements.

In order to test the institutional hypothesis of this study, the institutional variable, which measures the extent to which the democratic institutions of a state

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10 Munck and Verkuilen compare the following nine democracy data sets: Alvarez, Cheibub, Limongi, & Przeworski (1996); Arat (1991); Bollen (1980); Coppedge and Reinicke Polyarchy (1991); Freedom House (2000); Gasiorowski Political Regime Change (1996); Hadenius (1992); Polity IV (Marshall & Jaggers, 2001b); and Vanhanen (2000b). See Munck and Verkuilen, 2002: Table 1 for more details and reference information.

11 Ibid.: p29.

12 Ibid.
are either majoritarian or consensual, will be the primary independent variable of interest. The data for this variable will be borrowed from Andrew Roberts’ 2006 study, and Jessica Fortin’s 2008 study. Borrowing from the work of Lijphart’s *Patterns of Democracy*, Roberts, and Fortin analyzes the ten CEE states along ten institutional variables, which in combination determine a state’s majoritarian/consensual score.

With that being said, because this is a controlled comparison, a number of variables will also be considered controlled for, that is, not to have had an effect on the levels of democracy post-accession. In both regions, Southern Europe and CEE, there was a general desire by the public to integrate toward Europe. Therefore, this study will assume that support for European integration did not play an important part in explaining post-accession outcomes. This is not to say that the level of support in a given cases did not play a role in European integration. As we will see in the cases studies to follow, the different levels of support for European integration had an important role in explain the effects of European integration.

Rather, support for European integration is not thought to have affected democracy in the sense that no single case was forced into European integration but rather pursued integration on their own desire. Furthermore, EU membership is contingent on a number of criteria, the most important of which was the precondition of a functioning democratic and economic system. These preconditions for EU entry will also be assumed to not have played a role in

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explaining post-accession variations. Albeit, the depth of these conditions will play an important role in showing variation in the accession criteria between the two enlargement rounds.

On the other hand, a number of variables will be allowed to vary across the cases. Namely, the different accession processes for the two regions will be of significant importance. Because the accession of Southern Europe took place under much laxer conditions for membership compared to the much stricter conditions faced by CEE, it is important that this factor is accounted for in the analysis. Furthermore, the size of the two enlargement rounds will also be of importance, as the Southern enlargement consisted of three states whereas the Eastern enlargement consisted of twelve states. The complexity of the EU itself is also of importance, as the Union has grown considerably since the 1980s, not only in the number of members, but also in terms of depth.

With that being said, the six cases that were selected for comparison from the universe of cases,\textsuperscript{14} were chosen because they make up a group of highly comparable cases under the most-similar systems research design. From the Southern enlargement, Portugal and Spain were chosen because their histories with authoritarian regimes compared more favorably with those of CEE, whereas the Greek experience with authoritarianism was much shorter and intermitted with democratic regimes for much of the 20\textsuperscript{th} century. Furthermore, because the

\textsuperscript{14} This study is framed under the theoretical argument that EU membership contributes to democratic consolidation. Therefore, only those states that join the EU as new democracies fall under the universe of cases. States from the forth enlargement (Austria, Finland, and Sweden) do not qualify because they were consolidated democracies prior to EU entry.
institutional variable is one of the independent variables of interest, Portugal and Spain represent different institutional designs, with Spain being more majoritarian and Portugal being more consensual. Therefore, the institutional differences between the two cases will be used to show how two differently instituted democracies were influenced and affected by the integration process.

The four cases from CEE were also chosen for similar reasons. All four cases (the Czech Republic, Hungary, Romania, and Poland) had a long-term experience with communism. Furthermore, the two cases where democratic regression has been witnessed post-accession (Hungary and Romania) stand as the two more majoritarian democracies of CEE; whereas the two more successful cases (the Czech Republic and Poland) stand as the more consensual types (see footnote). Finally, when all six cases are compared against one another in terms of several social and economic indicators (table 2.1), we see that the six cases make up a comparable group. In terms of economic and social indicators both cases from Southern Europe are nearly similar, while in geographical terms, one state is large while the other small. From the CEE pairs, the comparison among the four cases is similar to the

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16 Roberts, 2006; Fortin, 2008. The reader must also bear in mind that nearly all new-member states have experienced some degree of democratic regression in the post-accession period. However, it is only a small group of cases (Bulgaria, Hungary and Romania) that have become disconcerting due to the lowest levels of democracy among the new-member states. Nonetheless, even some of the more successful cases such as the Czech Republic have recently been analyzed through an alarming tone (see Hanley, Sean. “Czech democracy: the wheel turns full circle.” Author’s personal Website. 2015. <http://seanhanley.org.uk/uncategorized/czech-democracy-25-years-on-the-wheel-turns-full-circle/>. Accessed April 10, 2015.)
Southern cases: All four cases are nearly similar in social and economic terms, while in geographical terms we have two smaller and two larger states.

One final note needs to be emphasized. Although the six cases were chosen because they consist of a comparable group, the questions to be asked of each case, and the data to be utilized in each case will vary from cases to case. The Southern cases will be primarily used to build a theoretical framework for understanding democratic consolidation under the context of European integration. Therefore, the questions to be asked of the two Southern cases will be slightly different from what is asked of the CEE cases. Because both Southern cases are considered successes, one cannot ask: What were the factors that contributed to democratic regression in the post-accession period? This question is more appropriate for the two deviant cases of CEE. Rather the appropriate questions to be asked of the Southern cases would have to be something like: What were the common factors in Portugal and Spain that contributed to democratic consolidation; how did these two states handle the accession process despite having differently instituted democracies; and, what were the implications of membership for the two states? The answers to questions such as these will then be compared to the four CEE cases with the intention of discerning the casual mechanisms of European integration for the consolidation of democracy.

3. Some Theoretical Considerations

On a different note, while this study is concerned with democratic regression, it has also become clear in the democratization literature that the former type of regime has implications for the transition to and consolidation of democracy. Linz
and Stepan’s work is instructive in this respect. The authors identify four types of non-democratic regimes: authoritarian, totalitarian, post-totalitarian and sultanistic. Based on four defining characteristics of modern regimes (pluralism, ideology, mobilization and leadership), the authors determine whether a non-democratic regime is authoritarian, totalitarian, post-totalitarian and sultanistic. The former regime type has implication for the transition to democracy as it largely determines the level of difficulty for the consolidation of democracy.

For example, totalitarian regimes which lack significant levels of economic, social or political pluralism, are guided by ideological dogma, have no levels of mobilization, and are led by a limitlessly powerful leadership have a significantly more difficult time consolidating democracy compared to authoritarian regimes which are characterized by higher levels of pluralism and mobilization, are guided by no political dogma and the leadership is more predictable. Thus in comparison to democratic regimes, authoritarian regimes are its closest approximate, followed by post-totalitarian, totalitarian and finally sultanistic. In reference to the six cases concerned by this study, we have a mixture of former regime types. From the Southern cases, both Portugal and Spain were governed by former authoritarian regimes. From the Eastern cases, however, we have a mixture of former regime types: Poland governed by an authoritarian regime from the mid 1980s; Hungary as a case of post-totalitarian; Czechoslovakia as a cases of “frozen” post-totalitarian; and Romania as a sultanistic case.

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18 Ibid.: Chapter 4.
The reason for this brief theoretical overview on former regime types was to show that even though the research design of this study is based around the logic of most-similar designs, we must keep in mind that our cases differ from one another in respect to this important variable. In reference to the Southern enlargement this is less pronounced as both cases were governed by former authoritarian regimes and underwent a similar pre-accession process. In the Eastern enlargement, however, this is more pronounced. Even though all four cases underwent a similar pre-accession process, all four differed in respect to former regimes types. Thus we must bear in mind that European integration will only bear part of the explanation in the total level of vernation within our cases.

4. Quantitative Analysis

In order to test the institutional hypothesis, the study will be broken down into two parts. The first part will test the hypothesis statistically. Because the institutional hypothesis is based around the temporal distinction of the pre and post-accession periods, the quantitative analysis will utilize the ordinary least squares (OLS) interaction regression model. This model will be expanded further on Chapter 3, however, for the time being the reader must bear in mind that interaction models assess the interacting effects of two or more independent variables on the dependent variable. In reference to this study, the interaction will occur between the institutional variable and the distinction between the two time-periods—pre-accession and post-accession. Thus what does the institutional variable tell us about democratic performance in the pre-accession period compared to the post-accession period? The statistical analysis will therefore serve
two purposes. First, the analysis will test for the statistical significance of democratic regression in the post-accession period. That is, is the democratic regression being witnessed in the post-accession period statistically significant when compared to the levels of democracy in the pre-accession period? Second, and more importantly, the regression analysis will test for whether the institutional variable, which is the key variable of interest, holds explanatory power in explaining the post-accession divergent patterns in CEE.

In order to perform the aforementioned tests, the statistical analysis will employ a number of variables. Each of these variables will be briefly mentioned here, before they are expanded on in Chapter 3.

- The degree of democratization will be the dependent variable in this study. Due to the problematic nature of measuring democracy, Chapter 3 will adopt three different indices of democracy in order to improve measurement reliability. The three indices will be: 1, the Freedom House Democracy Scores from the Nations in Transit Report; 2, the Polity IV Project Democracy Score; and 3, the Unified Democracy Scores.

- The key independent variable of interest will be Lijphart’s institutional variable. This variable will derive from two different sources in order to improve measurement reliability.

- The other independent variable will be an indicator measuring GDP per capita at country level. This variable is important, as according to democratic theory, economic wellbeing is an important indicator effecting democratic performance.
• The third independent variable will be a dummy variable distinguishing the two time-periods—pre-accession and post-accession.

• Finally, a number of other variables will be used either for control purposes and in order to test Lijphart’s findings that consensual democracies are “kinder and gentler.” For a complete list of the variables to be used on Chapter 3, see Appendix A.

5. Qualitative Analysis

The second part of the study will build on the quantitative analysis by attempting to elucidate the relationship between the aforementioned variables through a comparative analysis of six case studies. The six cases will be used for the purpose of better understanding the causality relationship between the pre-accession process and the institutional variable. In other words, what are the factors that explain the differentiated impact of the pre-accession process on differently instituted democracies? As was discussed above, case selection was determined with the institutional variable in mind. Therefore, each case will act as a building bloc in an attempt to build a theoretical model that explains the impact of the pre-accession process on newly democratized states. The essence of the case studies will be empirical in the sense that they will explore the impact of the pre-accession process. While on the other hand, due to the theoretical underdevelopment of the democracy promotion literature, this study will also attempt to contribute to that research program by understanding the mechanisms through which democracy promotion by the EU during the pre-accession process is expected to be effective.
The case studies will therefore rely primarily on secondary data, as this study does not consist of any primary data collection. The source of data for the case studies will come from two sources. First group of data will come from official EU documents, such as: pre-accession agreements between the EU and candidate states; the EU’s Regular Reports on the candidate states; and accession documents and accession criteria for the Southern and Eastern enlargements. The second group of data will come from an appropriate body of literature as it pertains to the Europeanization and democratization literatures. In conclusion, this study will interact the two sets of literature and attempt to provide a generalizable argument for a better understanding of how European integration affected democratic consolidation in Eastern and Southern Europe.
CHAPTER 3: Probing the Statistical Relationship Between EU Membership and Democratic Consolidation

At the time of writing (2014), the Eastern Enlargement of the EU is celebrating its tenth anniversary. As all anniversaries, this was supposed to be a time of celebration and accomplishments. Yet, whether this symbolic anniversary is viewed from the perspective of the EU, the latest members of the Union, or the publics in either side, there is little to celebrate for—at least as far as the consolidation of democracy is concerned.

The expectation that EU membership was going to contribute to democratic consolidation in CEE was short lived. Immediately after the 2004/07 enlargement, the global economy was hit with a financial crisis, which strongly effected the democratic consolidation period in the new member states. Although the role economic downturns cannot be excluded from any kind of analysis of democratic consolidation,¹ the role of the economic recession is not a sufficient factor in explaining the variation in the levels of democracy in post-accession CEE. As a testament to this argument, Latvia, which experienced one of the strongest economic recessions in the region, was able to come out of the economic crisis with

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their democratic progress unscathed. On the other hand, the economic crisis acted as a springboard in lunching an extreme right-wing party into power in Hungary, which has hampered the democratic consolidation in the country.

As I argued in Chapter 1, existing studies in trying to understand the post-accession divergent patterns in CEE have not been able to provide sufficient explanations for the variations in the trajectories of democratization between the pre and post-accession periods. More specifically, there is no theoretical argument for the conditions under which the promotion of democracy by the EU in new member states is likely to be effective. Precisely because of this theoretical and empirical gap in trying to understand the post-accession divergent patterns of CEE, this chapter will take an institutional angle to explaining the variational outcome of the Eastern enlargement.

1. **Outlining the Statistical Hypothesis**

The primary premise of the institutional argument being tested in this chapter is the distinction between two periods—the period before the attainment of EU membership (pre-accession) and the period after the attainment of membership (post-accession). According to this hypothesis the pre and post-accession periods differed drastically in the senses that while the pre-accession period was a period of conditional reform characterized by an asymmetrical relationship between the aspiring member states and the EU, the post-accession period was a period of unconditional reforms and symmetrical relationships between the new member states and older members of the EU. Yet, the institutional variable, which will be

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explained below, remained constant across the two periods. Therefore, how does the institutional variable explain the divergent patterns of democratization in the post-accession period?

An overview of the ten CEE states’ democracy scores at the time of joining the EU (2004/07)\(^3\) compared to their respective democracy scores in 2014, shows that those states which have made the biggest democratic regression since joining the EU are those states which exhibit the strongest majoritarian institutional designs; while those states which have not experienced the same degree of democratic regression exhibit the strongest consensual institutional designs. By using pooled time-series cross-sectional data (TSCS) from 1997 to 2013\(^4\), this chapter will analyze the extent to which the institutional variable is able to explain the post-accession divergent patterns of CEE.

2. Some Empirical Considerations

Inspired by the work of Lijphart, numerous other studies have take the institutional variable developed by Lijphart and tested his findings across a number of different cases and issues. Linder and Bächtiger applied Lijphart’s model to 62 African and Asian countries and find that power-sharing institutions were strongly

\(^{3}\) Bulgaria and Romania joining in 2007.

\(^{4}\) The analysis in this chapter selects 1997 as the beginning period of the TSCS data for the simple reason that in 1997 the European Commission published its official Opinion on the applications for membership of the 10 CEE states. Thus, 1997 represents the beginning of official negotiations with the EU in the drive to membership. Although in 1997 only 5 out of the 10 CEE states were invited to start negotiation, there is considerable agreement in the literature that the exclusion of the other 5 pushed those states to begin negotiations as soon as possible in order to not be seen as lagers or falling behind the frontrunners. Therefore, 1997 is selected as the beginning of the data because it represents a common start for all 10 states in preparing for membership, while 2013 represents the latest data available.
related to a better democratic performance in a country, even surpassing the influence of economic variables. Power and Gasiorowski tested the effect of the party system on democratic consolidation against 56 periods of transition to democracy between 1930 and 1995 in the developing world and found that democratic consolidation was associated with more fragmented party systems, whereas democratic breakdowns were associated with more centralized party systems. Similarly, Norris tested whether having a majoritarian or proportional electoral system was associated with a better democracy score. With one of the largest empirical scopes to date (covering 191 countries from 1970 to the mid-2000s) Norris finds that having a proportional electoral system was associated with a better democracy score, while having a majoritarian electoral system was associated with a worst democracy score.

How well do these patterns apply in CEE? Are consensual democracies of CEE more democratic than their majoritarian counterparts? And most importantly, how does the institutional variable interact with the periods of interest to this study—pre-accession and post-accession? What role does the institutional variable play in explaining the divergent pattern of post-accession CEE? Before proceeding onto the findings of this chapter, it is important that the data sources and statistical models to be employed in the analysis are examined and explained.

3. Data

7 Norris. pg123.
3.1. Dependent variables

The dependent variable for this study will be the degree of democratization. As discussed in Chapter 2, every democracy index suffers from weaknesses of some sort. Therefore, in order to partly address the problems associated with the measurement of democracy, this chapter will utilize three different democracy indices—for which there is a large enough empirical scope to cover the time period of interest to this study—in order to increase the reliability of the findings. The three indices to be used are: 1, the Freedom House Democracy Score from the Nations in Transit Report; 2, the Polity IV Project Democracy Score; and 3, the newly created Unified Democracy Scores. Each of these indices will now be briefly discussed.

The Freedom House (FHDS) Democracy Score is the index with the most comprehensive definition of democracy. According to Munck and Verkuilen, Freedom House uses one of the most maximalist definitions of democracy in conceptualizing its democracy index. In this respect, the Freedom House index will become useful because it contrasts well with the more minimalist conception of democracy from the Polity IV index. The Freedom House index is scaled from 1 to 7 with 1 being most democratic (yet, for the purpose of simplifying interpretations, the scale of this index has been reversed into where 7 means most democratic and 1 least democratic). The Polity IV (Polity) democracy score on the other hand uses a minimalist definition of democracy. According to Cameron, the Polity IV index

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overly emphasizes “attributes of the executive branch—specifically, the competition and openness of executive recruitment and constraints on the chief executive—and little weight to other attributes usually assumed to be part of what defines a democratic polity, such as the rule of law, political rights, and civil liberties.” The Polity IV index is scaled from 0 to 10 with 10 being most democratic.

The Unified Democracy Scores (UDS) index takes a unique approach to constituting its democracy index. Unlike the other two indices, the UDS index does not contain original data of its own, but rather is constructed through “averaging” out ten different democracy indices into one composite index. Although such a method can be problematic due to the incongruent measurements of democracy used in each index, the developers of the UDS index, Pemstein et.al., were able to compose a unified score through a complex model which they argue “predicts actual rater data well and provide strong justification for including all 10 measures in the model.” Furthermore, Pemstein et.al., argue that the UDS index represents an improvement over individual measures of democracy because it draws upon the work of a variety of scholars in order to improve rating accuracy. The UDS index theoretically ranges from -25 (authoritarian) to 35 (democratic), although within the ten cases at hand, the range is from 4.68 to 15.60.

3.2. Independent variables

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11 Ibid.: pg17.
This chapter will employ a number of independent variables. However, it is the institutional variable that will be of primary interest. The institutional variable is based on Lijphart’s typology. It is worth reiterating that according to Lijphart’s analysis it is the executive-parties dimension that is primarily attributed with the performance of government because it is the decision-making dimension.\textsuperscript{12} Thus the quantitative analysis performed in his original study, and in subsequent studies by others, it is the executive-parties dimension that has been used as the independent variable in testing the performance of governments based on the two types of institutional designs. Therefore, this chapter will also follow those same lines, and use the executive-parties dimension as the independent variable.

Similar to the three sources for the dependent variable described above, the institutional variable to be employed will come from two separate sources in order to increase the reliability of the findings. The two sources are Roberts (2006) and Fortin (2008).\textsuperscript{13} The two aforementioned studies have applied Lijphart’s model to the ten states of CEE in order to construct a majoritarian-consensual-type institutional variable. The five micro-institutional variables that make up the executive-parties dimension, however, are all scored and scaled differently from one another. In order to address this problem, the five micro variables were all rescaled in the same direction so that the lower score was associated with majoritarian institutions and the higher score with consensual institutions. After the rescaling of

\begin{footnotesize}
\begin{itemize}
\item[12] Lijphart, 1999: pg258-59.
\end{itemize}
\end{footnotesize}
the micro variables in the same direction, the variables were then standardized along a common scale through the Z-score standardization method. The five standardized micro-variables were then averaged out for the purpose of creating one composite institutional variable. After the data were standardized and two composite variables were created, the two studies from which the original data was derived from show that the two composite variables for the executive-parties dimension were highly correlated with one another at \( r=.80, p=.005 \). The high degree of correlation shows that the two studies are consistent in measuring the five micro-institutional variables in CEE, albeit with a small degree of variation. The usual Z-score standardization ranges from -2 to 2, and in the case at hand, -2 is associated with purely majoritarian institutional designs while 2 is associated with purely consensual institutional designs. Table 3.1 provides the composite institutional variable for the ten CEE states for the executive-parties dimension according to Roberts’ and Fortin’s studies.

### Table 3.1. Institutional Variables

<table>
<thead>
<tr>
<th>Table 3.1. Institutional Variables</th>
<th>Executive-Parties Dimension</th>
<th>Fortin (2008)</th>
<th>Roberts (2006)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estonia</td>
<td>-0.22</td>
<td>0.11</td>
<td></td>
</tr>
<tr>
<td>Latvia</td>
<td>0.5</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>Lithuania</td>
<td>-0.61</td>
<td>-0.41</td>
<td></td>
</tr>
<tr>
<td>Czech Republic</td>
<td>0.37</td>
<td>-0.17</td>
<td></td>
</tr>
<tr>
<td>Hungary</td>
<td>-0.31</td>
<td>-0.42</td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>-0.42</td>
<td>-0.12</td>
<td></td>
</tr>
<tr>
<td>Romania</td>
<td>-0.14</td>
<td>-0.15</td>
<td></td>
</tr>
<tr>
<td>Slovakia</td>
<td>0.37</td>
<td>0.18</td>
<td></td>
</tr>
<tr>
<td>Bulgaria</td>
<td>-0.33</td>
<td>-0.92</td>
<td></td>
</tr>
<tr>
<td>Slovenia</td>
<td>0.71</td>
<td>0.71</td>
<td></td>
</tr>
</tbody>
</table>

** The institutional score ranges from -2 to 2. -2 represents purely majoritarian institutional designs, while 2 represents purely consensual institutional designs.

\( r=.80, p=.005 \)
According to Table 3.1, we can see that based on both studies, Slovenia stands as the most consensual democracy in CEE, while Bulgaria stands as the most majoritarian. However, there is an important limitation with the institutional variables considered here as they apply to the TSCS data covered by this chapter. While the TSCS data covers the period from 1997 to 2013, the institutional variables cover only the period from the first free elections in the respective states (which means roughly 1991) up to 2006 for the Roberts study and 2007 for the Fortin study. This leaves the period from 2006/2007 up to 2013 unaccounted for in the institutional variables. While this appears as a problematic and important limitation of the institutional variable, I will argue that this is only a minor limitation, and in fact fits well with the theoretical argument being proposed.

This study is hypothesizing that the pre-accession process was more conducive to democratic consolidation under consensually designed democracies than under majoritarian designs. Thus, theoretically, the institutional variables must correlate with the pre-accession period, otherwise it would dilute the proposition that the pre-accession period was more conducive to democratic consolidation under consensually designed democracies. Therefore, because the institutional variables which cover the 1990-2006/7 period correlate with what is considered the pre-accession period (1997-2004/7), suggests that while the data limitation may be methodologically problematic, it fits well with the theoretical argument of this study. It is also worth noting that the institutional variable does not vary from year to year, but is constant across the entire time-period. Because the institutional variable is meant to capture cross-sectional variation rather than
temporal variation, the variable is entered as a constant for each state for the entire time-period.

Nonetheless, the institutional variable leave the 2006/7-2013 period unaccounted for. This too is also less problematic than it appears. According to institutional theory, institutional change is evolutionary and by its nature very slow. By their very definition, institutions tend to be relatively inert phenomena. According to Powell, things which are institutionalized, tend to be inert and resist change.\textsuperscript{14} Furthermore, Mahoney and Thelen argue that despite the various theories of institutions, “nearly all definitions...treat them as relatively enduring features of political and social life...that structure behavior and that cannot be changed easily or instantaneously.”\textsuperscript{15}

Powell, for example, shows through the analysis of the electoral laws of twenty established democracies over a period of twenty-five years, that only three states implemented new electoral laws that differed significantly from the previous ones.\textsuperscript{16} Important to keep in mind that one of Lijphart's primary findings was the high degree of correlation among the five micro-institutional variables in the executive-parties dimension. Therefore, if the electoral laws of established democracies do not change significantly from one election to another, it is also likely that the rest of the institutional variables for the executive-parties dimension will not change, being that all five are highly correlated with one-another. Lijphart’s


own study as well, shows that the institutional make-ups of democracies do not change significantly, even over long periods. When Lijphart divides his time-period of interest (1945-1996) into two equal and separate periods—one period from 1945 to 1970, and the second period from 1971 to 1996—and compares the average institutional score of each state for the two time periods, he concludes that "the general picture is one of many relatively small shifts, but no radical transformations: not a single country changed from a clearly majoritarian democracy to a clearly consensual democracy or vice versa."\textsuperscript{17}

The purpose of this brief theoretical overview of institutional change was to show that institutional change is very slow and in the short-term it is barely discernible. Thus, regarding the two institutional variables described above, even though both studies (Roberts, and Fortin) leave the 2006/2007 to 2013 period unaccounted for, the theoretical overview provided above makes the point that the democratic institutions of CEE are unlikely to have change much since 2006/07. Nonetheless, the reader needs to be aware of the unaccounted period in the institutional variables. The other variables to be considered in this study are divided into two categories: 1, economic performance variables; and 2, governance variables. These sets of variables will fulfill two purposes: one, they will be regressed against the institutional variables in order to test if either institutional design (majoritarian and consensual) has performed better over the other; and two, a selected number of variables will be used for control or explanatory purposes.

4. \textbf{Statistical Models}

\textsuperscript{17} Lijphart, 1999: pg234.
The purpose of this chapter is to test for the statistical significance of the institutional variable on the effects of democracy in the two periods of interest (pre-accession and post-accession). Through the OLS regression model, this chapter will attempt to test the explanatory relevance of the institutional variable in explaining the democratic regression that is being witnessed in post-accession CEE (see important footnote).\(^\text{18}\) In a supplementary model, this study will also test Lijphart's findings that consensual democracies are “kinder and gentler” on the ten CEE cases. The regression models to be run in this chapter will consist of pooled TSCS data form the period of 1997 to 2013. In other words, there are 10 cross-sectional cases and 17 time-series data points totaling into a possible maximum of 170 observations.\(^\text{19}\) I will now explain the two groups of OLS models to be tested in this chapter.

The simpler of the two groups of models are the OLS models that will test Lijphart’s findings. In these models the institutional variable will remain constant while the dependent variable will change. In other words, the institutional variable will be regressed across a number of different dependent variables that measure

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\(^{18}\) Please note that this is a non-randomized sample of cases. In fact, the data covers all ten cases from the Eastern enlargement—the entire universe of cases. Thus when thinking of statistical inferences to be drawn from this chapter, two issues rise. First, there is no target population beyond the ten cases since the data covers the whole universe of cases. In other words, making statistical inferences beyond the universe of cases is theoretically problematic. Second, and a corollary of the first issue, levels of statistical significance become irrelevant under non-randomized samples. Thus when analyzing results, the direction of the data is more important than the levels of statistical significance. Nonetheless, this chapter will report the levels of statistical significance simply for the security of ensuring that the results are statistically significant, without necessarily making any inferences beyond the covered cases.

\(^{19}\) Certain models will consist of less than 170 observations due to a variety of reasons, such as missing data or irregular data reporting.
economic performance and democratic performance. The regression equation for the first group of models will be this:

\[ Y = a + b_1X_1 + b_2X_2 + e, \]

In this model, \( Y \) is the dependent variable to be tested; \( a \) is the constant/intercept (the value of \( Y \) when \( X_1 \) and \( X_2 \) both equal 0); \( X_1 \) is the institutional variable; \( X_2 \) is the appropriate control variable; and \( e \) is the error term.

The second group of models is more complicated than the first because it consists of interaction terms. In their simplest form, interaction models consist of two independent variables plus a third variable, which is an interaction term of the two original independent variables. Thus, the equation of an interaction model looks something like this:

\[ Y = a + b_1X_1 + b_2X_2 + b_3X_1X_2 + e, \]

In our model, \( Y \) is the dependent variable (democracy); \( a \) is the constant; \( X_1 \) is the institutional variable; \( X_2 \) is the dummy variable for pre-accession and post-accession periods; \( X_1X_2 \) is the interaction term between \( X_1 \) and \( X_2 \); and \( e \) is the error term. The interaction term becomes very useful when regressing an independent variable against a dependent variable in which the data divides into two groups—in our case, pre-accession and post-accession.

When the logic of the interaction model is applied to the institutional hypothesis, the institutional variable, which is our predictor variable, is interacted with our dummy variable which divides our time-series data into two groups—pre-accession and post-accession. Therefore, the interaction term will show the effect of the institutional variable on the degree of democracy for either period of interest—
pre-accession and post-accession. In other words, this model does not assume that the institutional variable will have the same effect on democracy in the pre-accession period as in the post-accession period.

Interaction terms can be very useful, however, they raise problems as well. They are useful because they allow for an unlimited number of interactions. That is, under any model, one can interact as many variables as they wish for the purpose of showing whether the interaction of two or more variables (higher order interactions) strengthens or weakens the prediction on the dependent variable. Such high order interactions, however, come with limitations. In order to show statistical significance, as the order of interactions increases, the sample size also needs to increase accordingly, otherwise one risks getting statistically insignificant results. Even more importantly, interaction terms create problems of multicollinearity, that is, a high degree of correlation between the interaction term and the independent variables that comprise it. To address this problem, Aiken and West recommend centering the variables. Centering means subtracting the mean of a variable from all the observations of that same variable.\textsuperscript{20} As a result, the mean of the new centered variable is 0 and the variable will range from a negative score, say -2, to a positive score, say 2, in which 0 is the mean. Centering the independent variables means that the interaction term will not be highly correlated with the independent variables that comprise it. More importantly, centering the variables will not have an effect on the regression coefficient for the interaction term, compared to when the raw data is used in the interaction term. Therefore, any

model with an interaction term will specify whether a certain variable has been
centered or not.

5. Chapter Findings

5.1. Consensus democracies: “Kinder and gentler”?

Based on previous empirical research, we expected to find that the ten
democracies of CEE would conform to expectations. That is, consensual
democracies will have performed better than majoritarian democracies on a
number of economics, political, and social indicators. Table 3.2 reports the
regression coefficients for the simple regression analysis (without any control
variables) on the degree of association between the institutional variables and a
number of governance and social indicators. It becomes apparent at first view that
based on table 3.2; consensual democracies have performed better than
majoritarian democracies on a number of governance indicators under either
institutional variable.

<table>
<thead>
<tr>
<th>Table 3.2. On Democratic Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Institutional variable:</strong></td>
</tr>
<tr>
<td><strong>Dependent Variable:</strong></td>
</tr>
<tr>
<td>Freedom House-NIT Democracy Score</td>
</tr>
<tr>
<td>Polity IV (Democracy score)</td>
</tr>
<tr>
<td>Unified Democracy Score (UDS)</td>
</tr>
<tr>
<td>BTI-Economic Transformation Index</td>
</tr>
<tr>
<td>WB-Voice and Accountability</td>
</tr>
<tr>
<td>WB-Political Stability</td>
</tr>
<tr>
<td>WB-Government Effectiveness</td>
</tr>
<tr>
<td>TI-Corruption Index</td>
</tr>
<tr>
<td>Human Development Index (HDI)</td>
</tr>
<tr>
<td>Gender Inequality Index (GII)</td>
</tr>
<tr>
<td>Voter Turnout</td>
</tr>
</tbody>
</table>

*Statistically significant at the 5% level.
**Statistically significant at the 1% level.
Looking at the democracy indices, one can see that consensual democracies have maintained better democratic records, however, with some variation. The Polity IV index associated majoritarian democracies with a better democracy score, but the results in this case were highly statistically insignificant. Part of the explanation for why the Polity IV index produced statistically insignificant results may be due to the fact that the index uses a minimalist definition of democracy, and as a result, there is little variation within the time-series data for the regression analysis to produce statistically significant results.

Consensual democracies have also performed better than majoritarian democracies on three World Bank governance indicators: the Voice and Accountability indicators which measure “aspects of the political process, civil liberties and political rights...and [emphasis added] the extent to which citizens of a country are able to participate in the selection of governments”;21 the Political Stability indicators, which measure the “likelihood that the government in power will be destabilized or overthrown by possibly unconstitutional and/or violent means, including domestic violence and terrorism”;22 and the Government Effectiveness indicators which measure the “quality of public service provision, the quality of the bureaucracy, the competence of civil servants, the independence of the civil service from political pressures, and the credibility of the government’s commitment to policies.”23

22 Ibid.  
23 Ibid.
Furthermore, according to table 3.2 consensual democracies have lower corruption rates (although the Fortin variable was not statistically significant); higher human development; and higher voter turnout rates. They have also developed better market economies in their transition periods. The gender inequality index, however, was not statistically significant, probably attributed to the small sample size for that variable. When a control variable which measures economic wellbeing (GDP per capita) is introduced in each of the models, the results become somewhat skewed, and no consistent pattern emerges, indicating once again the importance of economic wellbeing in the process of democratization. The purpose of table 3.2, however, was not to show cause and effect, but rather to tests the association of the institutional variable with government performance. Overall, the patterns of this section show consistent results with those of Lijphart and other studies.24

Table 3.3 reports the regression coefficients for the simple regression analysis on the degree of association between institutional variable and a number of economic performance indicators. Findings in table 3.3 reveal inconsistent results. Overall, consensual democracies are not better at macroeconomic management. Only two out of the five indicators considered, showed statistically significant results on the superiority of consensual democracies over majoritarian democracies under both institutional variables. Consensual democracies had higher per capita income by $5.3 thousands more under the Fortin institutional variable and $3.3

thousands more under the Roberts variable. Furthermore, table 3.3 shows that consensual democracies had higher government expenditure rates: 2.67% higher under Fortin, and 1.52% higher under Roberts. The results on government expenditures are consistent with the findings of Iversen and Soskice, who demonstrate through statistical analysis that under consensual democracies, the multi-party systems provides the framework for taxing more and redistributing more.25

<table>
<thead>
<tr>
<th>Table 3.3. On Economic Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dependent Variable:</strong></td>
</tr>
<tr>
<td><strong>Beta</strong></td>
</tr>
<tr>
<td>Inflation Rate</td>
</tr>
<tr>
<td>Govt. Expenditures (% of GDP)</td>
</tr>
<tr>
<td>Unemployment Rate</td>
</tr>
<tr>
<td>Constant Growth Rate</td>
</tr>
<tr>
<td>GDP per capita in thousands (PPP)</td>
</tr>
</tbody>
</table>

*Statistically significant at the 5% level.
**Statistically significant at the 1% level.

With respect to inflation control, unemployment rate, and growth rate, none of the results were statistically significant. These results are actually consistent with strong empirical evidence. Lijphart, for example, found that only with respect to inflation control, do consensual democracies maintain lower rates. However, with respect to growth rate and unemployment rate, Lijphart’s analysis showed inconsistent and insignificant results.26 Even Lijphart's finding on the superiority of consensual democracies on the control of inflation has been disputed. Anderson


26 Lijphart. pg 273-274.
finds that when the *corporatism* variable is removed from the executive-parties dimension, which he argues does not belong under the executive-parties dimension,\(^{27}\) consensual democracies actually have higher inflation rates than majoritarian democracies.\(^{28}\)

Are the findings from tables 3.2 and 3.3 consistent with previous empirical evidence? The findings on table 3.2 have been highly consistent with previous research—consensual democracies of CEE are "kinder and gentler". However, with respect to economic performance and management there is no clear superiority of one type of institutional design over the other. Therefore, keeping with the conclusions of previous research, there is no clear superior economic performance of one type of institutional design over the other. With respect to the implications of tables 3.2 and 3.3 for the present study, the following section will provide the analysis.

5.2. Interacting the independent variables

Understanding democratization requires analyzing a number of variables. Evidence on democratic theory has demonstrated that for democracy to flourish a number of variables need to be present, otherwise the risk of democratic breakdowns increases. Therefore, what factors could possibly explain the democratic regression that is being witnessed in CEE post-accession? While there exists a number of possible independent variables, which can explain democratic regression, this study is concerned with the democratic regression that’s being


\(^{28}\) Ibid: pg443.
experienced in CEE post-accession. On that note, it is apparent that one of the primary factors of the democratic crisis in post-accession CEE has been the global financial crisis of 2008. As Przeworski, et. al. has argued, “the secret to democratic durability seems to lie in economic performance.”

Based on table 3.3 we know that consensual democracies have achieved significantly higher GDP per capita incomes than majoritarian democracies. Therefore, the GDP per capita variable (expressed in PPP and in thousands of dollars) will be used as one of the independent variables under the interaction models.

The interaction models to be tested in this section will consist of a three-way and all constitutive two-way interactions as described in the following regression equation:

\[ Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_1 \times X_2 + b_5X_1 \times X_3 + b_6X_2 \times X_3 + b_7X_1 \times X_2 \times X_3 + e. \]

Under this model, the first three independent variables are the EU-entry dummy variable (X1) which is coded as 0 for pre-accession and 1 for post-accession, the GDP per capita variable (X2) (centered), and the institutional variable (X3). The remaining variables are all the possible interaction terms between the first three variables.

Interpreting interaction models can be complicated, difficult, but more importantly, different from additive models. Under simple additive models—models where there are no interaction terms—each independent variable is interpreted on its own right. That is, under an additive model with two independent

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30 The GDP per capita variable has been centered for all the results reported on table 3.4.
variables (X1 and X2), the regression coefficient for X1 is interpreted as the average effect of X1 on the dependent variable while controlling for the effects of X2. Under interaction models, however, the interpretation of the coefficients changes. Under such models, there are two types of independent variables: conditional and unconditional. Conditional variables are those lower-order variables (first-order and second-order), which make up the higher order variable (third-order). That is, in our regression equation:

\[ Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_1X_2 + b_5X_1X_3 + b_6X_2X_3 + b_7X_1X_2X_3 + e \]

X1, X2 and X3 represent the first-order variables, X1X2, X1X3, and X2X3 represent second-order variables and are all conditional variables because they make up the third-order interaction, the X1X2X3 interaction, which is the unconditional variable.31

Conditional variables are interpreted in this way:

The coefficient for X1 shows the effect of X1 when both X2 and X3 are zero,

The coefficient for X2 shows the effect of X2 when both X1 and X3 are zero,

The coefficient for X3 shows the effect of X3 when both X1 and X2 are zero,

The coefficient for X1X2 shows the interaction between X1 and X2 when X3 is zero,

The coefficient for X1X3 shows the interaction between X1 and X3 when X2 is zero,

---

The coefficient for X2*X3 shows the interaction between X2 and X3 when X1 is zero.

Table 3.4 reports the findings for the interaction model described above. A quick overview of table 3.4 shows that, whether we used the institutional variable from the Roberts or Fortin study, and no matter which democracy index we used, the results were consistent across all 6 models, although with some minor
differences in levels of statistical significance. In order to illustrate the findings, model 1 will be explained in detail.

The coefficient for the centered GDP per capita shows the effect of that variable when the other two first-order variables have a value of 0. Thus, the coefficient of 0.174 show that a “one unit” increase in GDP per capita resulted in the democracy score increasing by 0.174 of a point when the institutional variable has a value of 0—which in our institutional variable is the mean of that variable, and when the dummy variable has a value of 0—which in our dummy variable represents the pre-accession period. This is consistent with what we expect—we expect that pre-accession, the effect of GDP per capita on democracy to be positive.

The same logic of interpretation applies to the other first-order and second-order variables across all six models. The EU-dummy variable (which has codded the post-accession period as 1) is showing that post-accession, when GDP per capita and the institutional variables have values of 0, democracy has deteriorated by a score of -1.063. This is also consistent with expectation, as we know democracy to have deteriorated post-accession. The institutional variable is showing that a “one unit” increase in the institutional variable—meaning as institutions become more consensual, when the dummy variable has a value of 0 and the GDP per capita has a value of 0, the effect of the institutional variable on democracy in the pre-accession period was -0.982. This variable appears inconsistent with what we would expect in the pre-accession period because we know that during pre-accession the levels of democracy were higher than post-accession. But on second look this coefficient is
simply telling us that the institutional variable alone cannot explain post-accession
democratic regression.

The interaction term for GDP per capita and EU-dummy is showing that a
“one unit” increase in GDP per capita when the institutional variable has a value of 0,
will result in democracy deteriorating by -0.122 points post-accession compared to
pre-accession. Considering that the global financial crisis ensued post-accession,
the coefficient for this variable is consistent with expectations. The interaction term for
the institutional variable and the EU-dummy is showing that a “one unit” increase in
the institutional variable when GDP per capita has a value of 0, will result in
democracy improving by 1.218 points in the post-accession period compared to the
pre-accession period. The direction of the relationship for this coefficient is also not
consistent with expectation, but it should have been expected, considering that the
coefficient for the original institutional variable was also not consistent with
expectations. Again, the institutional variable appears insufficient in explaining
post-accession democratic regression. The interaction term for the institutional and
GDP per capita variables is showing the effect of these two variables when the EU-
dummy has a value of 0, that is, the pre-accession period. The coefficient of -0.155
thus, is showing that the combined effect of the institutional and GDP per capita
variables had a negative effect on democracy in the pre-accession period.

In order to show the effect of these two variables (institutional * GDP per
capita) for the post-accession period, the dummy variable would need to be recoded
to where 0 represents post-accession and 1 pre-accession. When the dummy is
reversed we get a coefficient of -0.039 at p=.144, which indicates that while in in the
post-accession period, the effect of the GDP per capita and institutional variable interaction term was also negatively associated with democracy, the coefficient for the post-accession period was weaker, although, the coefficient for the post-accession period was not statistically significant. The result for this interaction term was also against expectations. We expected that the combination of GDP per capita and the institutional variables to have a higher negative effect in post-accession versus pre-accession. But considering that the institutional variable has not been showing results that were consistent with what we’d expect, it is not surprising that when it is interacted with the GDP per capita variable, the results remained inconsistent.

The three-way interaction between the GDP per capita, institutional, and dummy variables is also showing results not consistent with expectation. The coefficient of 0.116 for this interaction is showing that, with “every unit” increase in the GDP per capita and institutional variables, the effect on democracy will be 0.116 more in the post-accession than in the pre-accession period. That is, the change in slopes of the GDP per capita and institutional variables from the pre-accession period (-0.155 from above) and post-accession period (-0.039 from above) results in a change of 0.116—meaning post-accession, the negative effects of the interaction term have been lower.

What can we make of what has just been described? Out of the seven independent variables in model 1, only the GDP per capita, the EU-dummy, and the interaction term of the two (GDP per capita * EU-dummy) produced results conforming to expectations. Furthermore, those same three variables remain
statistically significant at the 1% level across all six models, while the direction of the relationship also remain constant. The other four variables, on the other hand, showed statistically insignificant results in at least one of the models. Furthermore, the direction of the relationship for any of these four variables was not consistent with the dummy variable, which was showing that post-accession, there has been a decline in the levels of democracy. Therefore, we can conclude from table 3.4 that only the interaction term between the dummy and GDP per capita best predict the reality of democratic regression that is being experience post-accession.

Yet, the important question still remains. This study is hypothesizing that the democratic regression that is being experienced in CEE post-accession is primarily being witnessed in those states that exhibit stronger majoritarian
in institutional designs. In order to show if the democratic regression that’s being experienced post-accession is primarily a feature of majoritarian democracies we need to show the effects of the interaction term between the dummy and GDP per capita variables at different levels of the institutional variables. That is, what is the effect on democracy of the aforementioned interaction term, at different levels of the majoritarian-consensual spectrum? In order to show the importance of the institutional variable, we need to calculate new coefficients on the simple effect (or simple slope) of the GDP per capita and dummy interaction term at different levels of the institutional variable. Table 3.5 shows the result of the simple slope calculations from table 3.4 for the discussed interaction term for all six models.

The results from table 3.5 are unambiguously clear across all six models—a unit increase in GDP per capita had a higher negative impact on democracy post-accession as the institutional designs of a state become more majoritarian. For example, looking at model 1 under table 3.5 we see that “every unit” increase in GDP per capita resulted in democracy deteriorating by -.1728 of a point post-accession when the institutional designs of a state were assigned a value of -.0436 (primarily majoritarian institutional designs). The effect of “one unit” increase in GDP per capita on democracy deteriorated to -.1211 of a point when the institutional designs of a state were assigned a value of 0.008 (neither majoritarian nor consensual). Finally, the effect of “one unit” increase in the GDP per capita continued to deteriorate even further to -.0694 of a point when the institutions of a state were assigned a value of .4528 (primarily consensual institutional designs). The results
from model 1 are consistent across all six models, and with the exception of two simple slope out of the eighteen simple slope, all were statistically significant at the 1% level.

6. Discussion and Conclusion

What conclusions can we draw from the findings of this chapter? First, EU entry is clearly associated with a decline in democracy scores, regardless of which democracy index was used. Second, only the economic variable showed consistent and statistically significant results in predicting the decline in the levels of democracy in the post-accession period. The institutional variable, when used in an interaction term or as a lone variable was not able to predict the decline in democracy post-accession. Finally, when the EU-dummy and the GDP per capita variables were interacted, the results were undeniable—the global financial crisis that hit CEE after 2008 had a stronger negative impact on democracies exhibiting stronger majoritarian institutional designs than those with consensual institutional designs. Thus the hypothesis of this chapter has been confirmed—the institutional variable is statistically significant in explaining post-accession democratic regression, however, only when combined with the effects of the economic recession.

It is important, however, that the conclusions drawn from the statistical analysis are not misinterpreted. The findings of this chapter could not show weather or not the pre-accession process itself was the cause of post-accession crisis. This chapter could only test the hypothesis statistically in order to determine whether or not majoritarian democracies have indeed regressed at a greater degree. Because the analysis could only show if the democratic crisis of post-accession CEE
were more prominent in majoritarian democracies, it is only by extension where we can argue that the pre-accession process did not contribute to democratic consolidation under more majoritarian institutional designs. Nonetheless, the chapter was able to show that there appears to be a generalized democratic crisis in post-accession CEE that is more prominent under more majoritarian democracies. Therefore, the pre-accession process which was expected to contribute to the consolidation of democracy in the region appear to have not had the same impact under differently instituted democracies. In other words, the hypothesis has been confirmed. However, how and why this is the case will be explored through the case studies.

The economic variable, on the other hand did show a degree of causality. Although, the statistical analysis could not show that the economic variable was the only variable to have impacted democracy in the post-accession period. Because interactive models can create problems of multicollinearity due to the high number of independent variables, the inclusion of additional variables for the purpose of identifying the key cause variables would make the interpretation of the results unintelligible. Therefore, this chapter was intended to simply test the institutional hypothesis statistically, rather than show definitively the causes of democratic regression in post-accession CEE.

The findings of this chapter, while painting an important picture in qualifying the negative effects of the economic recession to the institutional differences between CEE states, raise two important questions. First, why have the effects of the economic recession had a higher negative impact in those democracies
exhibiting stronger majoritarian institutional designs, even though some of the strongest economically effected states were not majoritarian but consensual? This question is even more interesting considering that these very same states had to undergo more difficult economic times than the 2008 financial crisis during their early transition periods. Second, what can the pre-accession process tell us about post-accession democratic performance as attributed to institutional differences? In order to answer these questions it is important that the statistical results presented in this chapter are applied to detailed cases studies for the purpose of figuring out the factors that have made majoritarian democracies more susceptible to democratic backslide.

In the remainder of this study I will attempt to explore the relationship between the pre-accession process and post-accession performance. In other words, I will examine six case studies designed to improve our understanding of the relationship between the dynamics of the pre-accession process and possible impacts European integration had on the consolidation of democracy. In this respect, the six case studies will be contrasted with the findings of this chapter in order to develop a more reliable argument on the impact of the pre-accession process. Additionally, the case studies will also attempt to elucidate the causality mechanisms of the pre-accession process. That is, attempt to understand the how question. How did the pre-accession process affect democratic consolidation, and why did the pre-accession process appear to have had a differentiated affect along institutional differences?
The following three chapters will examine six case studies in order to determine whether the findings of this chapter hold true when explored qualitatively. The first set of cases (Portugal and Spain) comes from the Southern enlargement. The purpose of the chapter on the Southern enlargement is to show why, despite similar institutional differences to those exhibited in CEE, and experiencing relatively similar economic hardships, the three states of the Southern enlargement did not experience democratic regression in the post-accession period. The other two chapters will consist of paired case studies from CEE. First pair will focus on Hungary and Romania—two states that have experienced some of the strongest degrees of democratic backslide post-accession, while also being two of the more majoritarian democracies of CEE. The second pair of cases will consist of two democracies that fall more on the consensual side—Poland and the Czech Republic—which have overcome the economic recession without major crisis to their consolidation of democracy. Finally, the concluding chapter will attempt to bring together the quantitative analysis along with the case studies in order to determine the extent to which European integration contributes to the consolidation of democracy and the conditions under which that relationship is expected to hold.
CHAPTER 4: Democratic Transitions and Consolidation in Southern Europe:

Case Studies of Portugal and Spain

The democratic transitions of Southern Europe in the mid-1970s are thought to have been the beginning of a global surge in transition to democracy, a global surge that Huntington coined the Third Wave of democracy. Most transitions to democracy, however, rarely end in democratic consolidation. In fact, most transitions from authoritarianism to democracy end up with a democratic reversal in which authoritarianism is restored after a brief period of democracy—what Huntington has referred to as the “reverse waves of democracy”. The South European transitions to democracy in this respect seem to be the exception rather than the rule. A point of clarification needs to be made at this early point. Broadly defined, Southern Europe includes Cyprus, Greece, Italy, Malta, Portugal, Spain and Turkey. However, because this study is confined to the impact of European integration on the democratization of newly democratized states, from this point on, Southern Europe will refer to the three states which experienced democratic transitions and European integration in a simultaneous manner. Namely Greece, Portugal and Spain.

The Southern transitions therefore gave birth to the transitology literature as a theorizing process began to better understand the conditions under which transitions to democracy are likely to result in democratic consolidation. The five-volumes of Transitions from Authoritarian Rule are a great example of this trend. An

early attempt of this was an article by Pridham that asked whether the Mediterranean transitions to democracy represented a unique model of regime transitions. Lijphart et al., responded to Pridham’s question by pointing out that the three South European cases actually represented differently instituted democracies. Greece and Spain were more majoritarian in their institutional makeups, while Portugal was more consensual. Therefore, all three countries were more likely to drift apart from each other—Greece and Spain becoming more majoritarian and Portugal becoming more consensual—rather than all three coming together and forming a common model of democracy. Furthermore, keeping in line with the growth of the transitology literature, the international dimension of democratization emerged as an important variable in explaining successful transitions to democracy.

The aim of this study is therefore to bring together the transitions to democracy literature and the international dimension of democratization, namely the role of European integration, in an attempt to better understand the conditions under which the promotion of democracy by the EU in new-member states is likely to be effective. Taking an institutional perspective in order to understand the successful democratic transitions of Southern Europe in the context of European integration, this study will attempt to understand how differently instituted democracies are affected by the European integration process, as well as the role the


institutional typology plays in understanding successful transitions. Portugal and Spain were in this respect selected as cases studies because they represent two differently instituted democracies, with Spain being more majoritarian as a result of its effectively two-party system, and Portugal being more of a consensual democracy as a result of its multi-party system. In other words, how did consensual Portugal and majoritarian Spain address and handle the prospect of European integration and the negotiation of the accession treaties? Finally, what changed, if anything, for the respective states in the post-accession period, and what were the effects of membership for democratic consolidation?

It is important to bear in mind that the two Southern cases are only two out of six cases this study is examining. Therefore, the purpose of this chapter is not simply to understand the impact of the institutional typology in successful transitions to democracy, but rather in conjunction with the process of European integration to better understand how differently instituted democracies address and handle the integration process across time and across cases. Trying to determine the effects of European integration in the Southern cases is in a way a futile attempt, as the number of variables involved in successful democratic transitions is too great for anyone to single out a key variable as a cause variable in a group of cases where there is no variation in the dependent variable. All three cases of the Southern enlargement consolidated democracy during the post-accession period. It is therefore not possible to demonstrate cause and effect in a group of cases where the dependent variable does not vary. With this in mind, the two cases from Southern Europe in-and-of-themselves will not tell us much about the impact
of the institutional variable on democratic consolidation in the context European integration. Only through a cross-comparison with the CEE cases will we be able to demonstrate the impact of institutional variable in conjunction with the integration process on democratic consolidation. Therefore, the key questions to be addressed in this chapter will result in more descriptive accounts of the events, rather than scientific causes and effects. This is not to say that the chapter will not be theoretically driven. Rather, the causes and effects of European integration will be addressed in the latter chapters of the study.

The remainder of this chapter will be organized as followed. Section one will provide a brief background of the authoritarian regimes of Portugal and Spain and the conditions, which brought about their respective downfalls. Section two will be of key importance, as it will address the transitions to democracy and the role of the EEC. Section three will try to understand how the two cases handled the negotiation phase of EEC membership and how the post-accession period affected the consolidation of democracy. Finally, section four will conclude the chapter with the key findings and the implications of the findings for the four CEE cases.

1. The Breakdown of Authoritarian Regimes

The respective authoritarian regimes in Portugal and Spain emerged under different circumstances. The authoritarian regime of Portugal came into existence not long after the military coup d'état of May, 28 1926 which replaced the First Portuguese Republic. The coup was a response to the increasingly unstable Republic, which lasted from 1910 to 1926. The authoritarian regime in Spain came into existence after the lengthy and bloody Spanish Civil War. Despite this
important difference; both states instituted right-wing authoritarian regimes, with António de Oliveira Salazar at the helm of the Portuguese regime, and General Francisco Franco at the helm of neighboring Spain; both regimes replaced newly established and short-lived democratic governments; and both regimes followed roughly similar development paths thereafter.

The Portuguese regime was more appropriately an authoritarian corporatist regime in which the state was heavily involved in setting the framework for industrial relations. Spain on the other hand, implemented a policy of autarky up until the mid 1950s. Both of these models, however, severely limited economic development, and as a result, both regimes began looking outward in order to increase economic growth. As Maravall has argued, the corporatist institutions and autarkic policies of the two countries had become an obstacle to long-term development: “they gave rise to an uncompetitive private sector, incited short-term speculations at the expense of industrial investment, made production dependent on domestic markets with limited purchasing power, and obstructed the supply of the capital goods and raw materials necessary for industrialization.” More importantly for the long-term development of the respective economies was the fact that economic isolation and the economic policy of import-substitution “were no longer compatible with the goal of domestic economic expansion”

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Thus the decision to open-up to international investment was to have dire consequences for the regimes in the decades to come. As Perez-Diaz has rightly argued:

“When Spain decided to abandon autarky after the economic crisis of the mid-1950’s and integrate into global markets, massive amounts of capital, commodities and people started to flow across the Spanish borders. This change resulted in the regime no longer being able to stand guard over the country and control the fate of its population. Thus, as soon as the regime lost control of society, the latent economic, societal, cultural, and political conflicts were activated, putting pressure on the existing international framework and forcing Spaniards to experiment with new institutions, inspired to some extent by the European models [emphasis added].”

As far back as Lipset's seminal article *Some Social Requisites of Democracy*, democratic theory has been able to establish a high degree of correlation between economic development and democracy. Therefore, if one accepts modernization theory, it would be expected that the economic growth that Portugal and Spain experienced subsequent to opening their markets to international investment would result in a transition to democracy. I will expand on this point later, but at the time being, what concerns us it the socioeconomic changes that occurred in the two countries from the mid-1950s to the mid 1970s and how such changes were related to the authoritarian breakdowns.

During the late 1950s and early 1960s the two countries made major headway in global markets. Both states joined in the OEEC in 1958 and the OECD in 1961. In 1961 Portugal became a founding member of EFTA. In 1962, Spain even attempted to become a full member of the EEC. However, the EEC outright rejected

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Spain’s application through the famous Birkelbach Report, stating that: “States whose government do not have democratic legitimation and whose peoples do not participate in government decisions, either directly or through freely elected representatives, cannot aspire to be admitted into the circle of peoples which forms the European Communities.”

During the 1970s, both states signed preferential trade agreements with the EEC. The opening of the respective economies to international investment, coupled with the repressive nature of the authoritarian regimes toward industrial relations made Southern Europe a hotbed for foreign direct investment, particularly from EEC members and the US. Thus, by 1968, foreign investment accounted for 52% of total manufacturing in Portugal, and financed 20% of jobs in Spain.

Graph 4.1 shows the average growth rates for the two states from 1961 to the end of 1974. The average growth rate for this period was 7.2% for Spain and 6.7% for Portugal, some of the highest in the world for that time-period. While the average growth rate for the same period was 4.7% for the EEC. At the same time, GDP per capita also experienced a rapid increase. Graph 4.2 shows that GDP per capita in Portugal and Spain closed the gap considerably with the average GDP per capita.

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9 Maravall, 1997: p44.
capita in the EEC. However, high growth rates were only part of the development. When viewed from the perspective of balance of trade, the two states were becoming heavily dependent on imports. As illustrated by Table 4.1, over the years the trade balance between the two states and the EEC and the world as a total, had been in an upward trend since 1960. Thus, economic growth came at a price. In other words, Portugal and Spain became highly susceptible to global economic
The resulting economic growth also affected the socioeconomic structure of the two states. Agriculture, which accounted for almost 50% of employment in 1950 Spain, had been reduced to about 20% in the late 1970s. A similar trend occurred in Portugal, with agriculture employment going down from around 44% in 1960 to 33% in 1970, while employment in the industry sector increased from 29% in 1960 to 36% in 1970, and employment in the services sectors increasing from

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27% in 1960 to 31% to 1970. During this same period, migratory patterns also emerged, as a large number of people migrated from rural to urban areas. For example, in 1960, 57% of Spaniards lived in urban centers, a number that had jumped up to 73% in 1970. For Portugal, the migratory patterns were less drastic but notable nonetheless: the percentage of people living in urban centers increased from 35% in 1960 to 39% in 1970, while the percentage of people living in rural areas reduced from 65% in 1960 to 61% in 1970. These developments created an important cultural precondition for the transitions to democracy. As democratic theory has shown, economic development often leads to the birth of democracy by improving communication between people, by improving the organizational capacity of the lower classes and in affect strengthening the middle class—the most supportive class of democracy. By the late 1960s and early 1970’s, however, for a variety of different reasons in each case, the authoritarian regimes’ long periods of political stability and economic growth were coming to an end.

One of the key factors that greatly influenced the economies of the two states was the first Enlargement of the EEC, which saw Ireland, Denmark and the UK join the Community. For Spain, this meant that the UK, its biggest importer of agricultural goods, absorbing half of Spain’s agricultural exports, now had to comply with the Community’s Common Agriculture Policy. This meant that Spain’s biggest agricultural rivals, France and Italy, would dominate the British market at the

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expense of Spain.¹⁴ For Portugal, the implications were equally devastating, as the UK being one of the founding members of EFTA and Portugal’s biggest exporting partner, now had to quit EFTA and comply with the economic policies of the Community. To put the importance of this for Portugal in perspective it is worth noting that during the 1960-1970 time-period, Portuguese exports to EFTA states increased by 15%, while exports to the EEC declined by 3.5%.¹⁵ A second factor contributing to further economic decline was the 1973 oil crisis, which exacerbated the mounting current account deficit problem in Portugal and Spain. The third factor that contributed to domestic unrest was specific to the two cases and more domestic in nature. For Portugal, African colonization was becoming a costly endeavor as its balance of payments with the colonies was becoming increasingly costly,¹⁶ thus creating an intensive domestic debate over the future of the country. For Spain, increasing workers strike activity,¹⁷ mounting violence from the separatist Basque region,¹⁸ and more importantly for the future of the regime, the assassination of Franco’s heir, Carrero Blanco in December of 1973 threw the regime in disarray, as different factions of the regime began an internal struggle to control the ensuing political transition.¹⁹

The responses to the emerging sociopolitical crisis were also different in the two countries. In 1969 Portugal had attempted to address the emerging socioeconomic problems by attempting to expend the circle of elites loyal to the regime, while at the same time, also curb the repressive nature of the secret police.\textsuperscript{20} This policy, however, was struck down in 1973 by the more conservative factions of the regime.\textsuperscript{21} Ultimately, a group of young army officers led by General Antonio Spinola, calling themselves the Armed Forces Movement (MFA), frustrated with the African wars and Portugal’s own underdevelopment, mounted a military coup in April 25, 1974 which saw the end of Salazar-Caetano regime. Spain’s authoritarian breakdown on the other hand was less apparent and driven from within. It was less apparent in the sense that there was no iconic event similar to that of the Portuguese coup of 1974, which saw a clear break with the past. Rather, the authoritarian breakdown began with a number of incremental policies enacted by the incumbent authoritarian regime, culminating in the important Political Reform Law of December 1976. The political Reform Law passed the national Parliament with a vote of 94.2\% in favor and 2.6\% against,\textsuperscript{22} which many scholars have equated to the regime effectively signing its own death warrant.

Worth noting, however, are the conditions, which made the authoritarian breakdown of Spain so smooth. Because the Spanish transition was negotiated under the consent of the ailing authoritarian regime, Franco loyalists had been reassured that the democratic transition was not only going to lead to their own

\textsuperscript{20} Wiarda, 1989: pg102.
\textsuperscript{22} MacLennan, 2000: pg144.
victory, but more importantly, the structure of Spanish society would be maintained through the leadership of King Juan Carlos who was to become Franco’s successor.

It is important at this point to stop and reassess the breakdown of the two regimes and the birth of democracy from a theoretical point of view. As was stated earlier, there is a large consensus among democratic theorists that economic development brings democracy. But the causal mechanism of this relationship is less apparent. One of the emerging arguments shows that socioeconomic development changes the class structure of a given society, thus fomenting the growth of civil society. As Rueschemeyer et al has argued:

“Capitalist development furthers the growth of civil society - by increasing the level of urbanization, by bringing workers together in factories, by improving the means of communication and transportation, by raising the level of literacy. Strengthening the organization and organizational capacity of the working and middle classes serves to empower those classes and thus to change the balance of class power. A dense civil society also has an importance for democracy on its own, because it establishes a counterweight to state power.”

In other words, capitalist development strengthens the middle classes, while weakening the large landowners or dominant classes of the authoritarian regime. Thus shifting “members of the subordinate classes from an environment extremely unfavorable for collective action to one much more favorable, from geographical isolation and immobility to high concentrations of people with similar class interests and far-flung communications.” The causal mechanism described above, fits our two cases extremely well. It was in fact the socioeconomic changes of the 1960s that created the conditions democratization in Portugal and Spain. It was the

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24 Ibid.
rise in income, the migratory patterns within the respective states, and the opening of the economies to international influence that made the transitions to democracy possible. As Perez-Diaz has argued, the developments of the 1960s were “inseparable from the institutional changes toward democracy”.25 There is also one final important point that needs to be made here. As Maravall has argued, dictatorships lay their claim to legitimacy base on the grounds of performance.26 Therefore, when the economy goes sour, the dictatorship can no longer claim legitimacy on superior performance, and as a result, becomes vulnerable to economic performance. However, unlike democratic regimes where the people may chose to vote the incumbents out as a result of poor economic performance without necessarily changing the regime itself, under authoritarian regimes, such a change is not possible. Thus the masses demand a change of regime, rather than a change of incumbents.

2. Transitions to Democracy

A democratic transition does not necessarily result in democratic consolidation. While the conditions necessary for a transition to democracy may be present in a given case, the conditions necessary for democratic consolidation are different from those in the transition phase, and therefore not always present. In other words, a transition to democracy in no way indicates subsequent democratic consolidation. Schmitter offers a very good account of this important sequential character of democratization, and it is worth quoting his argument in length:

“Democratic consolidation [DC] poses distinctive problems to political actors and, hence, to those of us who seek to understand (usually retrospectively) what they are doing. This further implies that consolidation is not just a prolongation of the transition from authoritarian rule. To a significant extent, DC involves new actors, new rules, new processes and, perhaps, even new values and resources. This is not to say that everything changes when a polity ‘shifts’ into DC. Many of the same persons and collectivities will be the same, but they will be facing different problems, making different calculations and behaving in different ways...The conditions which encouraged the demise of authoritarian regimes were not always, and not necessarily, those most appropriate for ensuring a smooth and reliable transition to political democracy...Even more provocative is the possibility that a sort of epistemological shift occurs at this point. Whereas during the transition, an exaggerated form of political causality tends to predominate in a situation of rapid change, high risk and indeterminate strategic choices, during the consolidation, actors have to ‘settle into their tranches’ (to use a metaphor from Gramsci). They have to organize their internal structures more predictably, consult their constituencies more regularly, mobilize their resource base more reliably, consider the long-term consequences of their actions more seriously, and generally experience the constraints imposed by deeply-rooted material deficiencies and normative habits much more saliently.”

Schmitter’s passage highlights an important factor that distinguishes the transition phase from the consolidation phase. Schmitter rightly argues that the transition phase is predominated by high political causality as a result of the rapid political change that characterizes the uncertainty of political transitions. For example, the decision by political elites over what type of electoral system the new polity should adopt—plural versus proportional—strongly affects the type of party system that emerges—two-party versus multiparty system. The consolidation phase on the other hand, is characterized by stable and predictable relations among key political actors. Therefore, consolidation implies continuity, whereas transition implies change. In an attempt to define democratic consolidation, Morlino reaches

a similar conclusion to that of Schmitter, by pointing out that consolidation “is not an innovative process but is characterized, rather, by the firm establishment of structures and procedures that are intended to last for a long time. From this perspective, the most important factor in the process is passage of time. In other words, consolidation is the overall result, which has various internal sequences, of the relationship between time and each of the essential elements that together make up the entire political system.”28 Based on this theoretical distinction between transition and consolidation, I now shift focus onto the transition phase of our two cases.

The authoritarian breakdowns and their respective transitions to democracy, despite coming about under different circumstances shared one important characteristic. Both authoritarian regimes ruled under what Wiarda called a “giant bureaucratic apparatus.”29 This fact had important implications for the transitions to democracy. Following the collapse and the onset of democracy, not even the former authoritarian regimes had formally organized political parties. This is not to say that opposition groups did not exist during the authoritarian period. In fact they did. But no parties which were recognized by the regime and allowed to cultivate support from the population existed during the authoritarian period in the two cases. The exception to this fact were the Communist parties in the two cases which were able to survive the repressive nature of the authoritarian regimes due to the communist’s clandestine activities.30 Thus when the authoritarian regimes

collapsed, there was no indication on the types of parties that would emerge. There was, however, a similarity on the types of parties that emerged. From the right of the political spectrum were the separate wings of the authoritarian regimes which fractioned into two groups—the more conservative and loyal elites to the falling regime on the one hand, and the more liberal wing on the other. While from the left of the political spectrum were the communist and the socialists. In this respect, four major political parties emerged in each case—two parties from each end of the spectrum.

Prior to the collapse of the authoritarian regimes in our respective cases, the role of the EEC in promoting democratization had been rather minimal. Nonetheless, the EEC played a decisive role in Spain when in May of 1976 the Community responded unfavorably to Arias Navarro’s unsatisfactory efforts to democratize the country as well as the possibility of excluding the communist party from the first elections (MacLennan 2000: 127). In response to the Community’s unsatisfactory opinion of Spain's transition to democracy, King Juan Carlos, decided to replace Navarro with Adolfo Suarez as the new Prime Minister (PM) in charge of creating the framework for the transition to democracy. The King’s decision to replace Navarro represented one of the first and direct influences by the EEC in Spain’s transition to democracy. Suarez’s careful considerations of European demands such as legalization of the communist party, his crafting of the Political Reform Law, and his overall astute political maneuvering during the very early years of the transition has seen him identified as the man primarily responsible for Spain's successful transition to democracy. It is worth noting again that the Political
Reform Law of 1976, which was passed by 94.2% of Parliament consisted of the Parliament left over for the Franco regime. In other words, the reform law enjoyed the support of even the staunchest supporters of the Franco regime. When the reform law was put up to a referendum vote, it also enjoyed the support of 94% of the votes.\textsuperscript{31} Thus in retrospect, the decision to appoint Suarez as PM appears to have been one of the defining moments in the transition to democracy.

The role of the EEC in the early phases of the transition in Portugal was directed more toward financial support, due to the economic conditions of the Portuguese economy in the mid 1970s and the uncertainty of the transition itself. For example, the 1972 Free-Trade agreement with the EEC, which was to culminate in the abolition of all customs duties for Portuguese industrial goods by July of 1977 was moved up to July 1976, with the Commission stating that it had “a natural interest in giving its fullest support to Portugal’s efforts to strengthen democracy and promote social and economic progress.”\textsuperscript{32} The uncertainty of the Portuguese transition stemmed from the fact that the transition to democracy which was initiated as a result of a political revolution, resulted into a social revolution. As a result, large amounts of land were occupied and legalized by the provisional government, industries were nationalized, and the banking sector became property of the state.\textsuperscript{33} Even more troubling was the fact that the communist party constituted part of the provisional governing coalition, with the leader of the MFA,
General Spinola, citing the importance of having a governing coalition consisting of all principle political parties. The presence of the communists in the provisional government in and of itself was not problematic. However, their continued influence within the provisional government through the support of the leftist faction of the MFA made a potential leftist revolution a real possibility. It was this potential outcome among all that drove the EEC to support the accession of Portugal into the EEC.

Following the Political Reform law of 1976 in Spain, the government agreed to hold general elections in June of 1977. These would be the first free elections in Spain in nearly four decades. The provisional government in Portugal had agreed to hold elections in April of 1975, and for the Portuguese as well, these would be the first free elections in over four decades. The respective elections would put the transition to a test. Would the two states begin the transition to democracy or would authoritarian forces prevent a peaceful transition? What kind of party system would emerge? Who would be the losers and who would be the winners? And most importantly of all, how will these outcomes affect democratic consolidation?

One of the most fundamental decisions that every new democracy must make is the decision over what type of electoral system to adopt. As Sartori has argued: the electoral system is highly causal in the type of party system that emerges.

Therefore, the question is: would the new polity adopt plurality elections which is

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more likely to produce a two-party system, or proportional elections which is more likely to produce a multiparty system.\textsuperscript{36} Both states ended up adopting the d’Hondt system, which has a slight bias toward large parties as it tends to over-represent large parties, and under-represent small parties. Interestingly, however, the emerging party systems in our two cases proved to be somewhat different, despite the application of a similar electoral system. It is worth noting that there is a distinction between the total number of parties; the total number of parliamentary parties; and the number of effective parliamentary parties. The distinction lies in how one measures parliamentary effectiveness. Whereas the total number of parties is easy to calculate, as it would simply require counting the number of parties running for office; the total number of parliamentary parties is counted by numbering only those parties that received enough votes to be elected to parliament. The effective number of parliamentary parties on the other hand, remains a contested issue,\textsuperscript{37} although, in its simplest form, this methods counts the number of parties which are able to influence the decision-making process. In other words, if we were to imagine a parliament with 100 deputes, in which part X held only 3 seats, while the governing party held 51 seats, and the main opposition held the remaining 46 seats, party X in this case would be ineffective as its inclusion in a


\textsuperscript{37} Lijphart, 1999: pg65-68.
governing coalition or in the opposition would not result in changing the balance of power in parliament.\textsuperscript{38}

The 1975 elections in Portugal produced a multiparty system, with effectively three parties: the far-right Social Democratic Center (CDS) winning 8\% of the vote; the center-right Portuguese Social Democrats (PSD) winning 26\% of the vote; the center-left Socialist Party (PS) winning 38\% of the vote; and the largely ineffective far-left Portuguese Communist Party (PCP) winning 12\% of the vote.\textsuperscript{39}

The 1977 Spanish elections on the other hand produced what’s been interpreted as an imperfect two-party system, with the center-left Spanish Socialist Workers’ Party (PSOE) winning 29\% of the vote, and the center-right Union of the Democratic Centre (UCD) winning 34\% of the vote, as the two largest parties. The other parties to gain a somewhat significant percentage of votes in the elections were the Spanish Communist Party (PCE) with 19\% of the vote, and the People’s Alliance (AP) with 8\% of the vote, with the rest of the vote being shared among a large number of smaller parties. The UCD, however, disappeared from political relevance after the 1982 elections, which saw its share of supporters migrate over to the other right-wing party, the People’s Alliance/People’s Party (AP/PP). Nonetheless, what

\textsuperscript{38} An emerging party system depends on a number of factors. As will be illustrated below through the two case studies, even though Spain and Portugal applied similar electoral systems, the results were different. Thus the number of effective parties that emerge in a given democracy depends more on socioeconomic factors than on the electoral system being applied. Although, empirical evidence has shown that proportional electoral systems tend to produce more fractionalized party systems.

\textsuperscript{39} I call the PCP ineffective because after the 1975 elections, the communists were never invited for form a coalition government due to their extreme stance on a number of issues, and as a result, never governed during the transition period and thereafter.
emerged in Spain was effectively a two party-system, as the PSOE and the AP/AA dominated the latter part of the transition and present-day politics.

Table 4.2

<table>
<thead>
<tr>
<th>1975 Portuguese Elections*</th>
<th>1977 Spanish Elections**</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Party</strong></td>
<td><strong>Percentage of Votes</strong></td>
</tr>
<tr>
<td>Socialist Party (PS)</td>
<td>37.9</td>
</tr>
<tr>
<td>Portuguese Social Democrats (PSD)</td>
<td>26.4</td>
</tr>
<tr>
<td>Portuguese Communist Party (PCP)</td>
<td>12.5</td>
</tr>
<tr>
<td>Social Democratic Center (CDS)</td>
<td>7.6</td>
</tr>
<tr>
<td>Portuguese Democratic Movement (MDP)</td>
<td>4.1</td>
</tr>
<tr>
<td>People's Democratic Union (UDP)</td>
<td>0.8</td>
</tr>
<tr>
<td>Abstentions, blanks, and void ballots</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>99.3</td>
</tr>
</tbody>
</table>


**Source: Field & Hamann, 2008: p12.

Yet what caused the two party systems to differ so much, despite the application of similar electoral laws? Gunther et al. attempted to answer this very question and were able to conclude that the two-party system that emerged in Spain was a product of a group of forces operating at different levels: the institutional, the
mass, and the elite levels. At the institutional level, Gunther et al. show that the electoral law was framed in such a way as “to a void excessive fragmentation” of political parties. Furthermore, the 1978 Law on Political Parties allows parties to receive annual funding from the government based on the proportion of seats a given party holds in Parliament. In other words, the larger parties are favored because they will be the biggest recipients of state funds. However, the institutional factor alone was not significant enough to determine the outcome of a two-party system. The other factor that influenced the party system was related to the mass level. In this respect, Gunther et al. show that during the early years of transition Spanish society was primarily centrist and moderate, which in effect determined which party Spaniards would most likely vote for. According to Gunther’s own mass-level survey data, no more than 10% of the population identified itself with the extreme left or the extreme right. This meant that the two extreme-wing parties, the PCP and the AP, had nearly no social base to expect a strong showing in the 1976 elections. The third factor was related to the elite level. This factor also proved to be highly influential in determining the emerging party system. According to 1978 survey data, when Spaniards were asked to rate the popularity of key political figures, they rated the leaders of the PSOE (Gonzalez) and the leader of the UCD (Suarez) as significantly more popular than the leaders of the PCE (Carrillo) and the leader of the AP (Fraga). The reason for this was that the AP was

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41 Ibid.: pg45.
42 Ibid.: p57.
composed primarily of former Franco loyalist and the more conservative faction of the former regime, compared to the UCD which was composed of the more liberal faction of the former regime. The PCE on the other hand, also suffered from voter support due to its image of an extreme-left wing party and its role as a clandestine organization during the Franco era.

The 1975 Portuguese elections on the other hand produced a multiparty system. The key factor in Portuguese outcome was the socioeconomic and spatial distribution of the Portuguese population. Geographically Portugal is divided into three regions—northern, southern and central. The northern part of the country is mountainous and lacks rainfall from October to March. This part of the country is also very conservative, catholic, and land distributions are small and family owned. The southern part for which the land is generally infertile and the population relies on intensive agriculture is slightly more industrious than the north. Additionally, the population is less conservative and religious, while land distributions are larger than those of the north. The central part of the country is most industrious, and contains a large bulk of the service sector. This geographical distribution seems to have played a significant part in the 1975 elections, as the conservative CDS showed to have its strongest electoral base in the conservative and rural north; the communists showing to have a strong base in the south; the center-right PSD with a strong base in the north and center of the country; and the PS as the only party with a country-wide base, receiving at least

44 Wiarda, 1989: pg349.
20% of the vote in each region.\textsuperscript{46} This pattern continued to dominate Portuguese elections in the years to come. Although, due to socioeconomic developments after accession to the EEC, the conservative CDS and the Marxist PCP saw their share of votes in their regional strongholds shrink as society became more developed. This fact has lead a number of scholars to argue that the spatial distribution of Portugal trumps socioeconomic factors in determining election outcomes.\textsuperscript{47}

The first elections following the collapse of the authoritarian regimes were important for two reasons: they laid the foundation for the emerging democratic regime by determining the winners and the losers; and most importantly, the parties which were able to gain significant parliamentary votes would play a decisive role in framing the new constitutions. Here, I depart briefly from the task at hand in order to describe the formal political systems that emerged in our two cases. Both cases adopted parliamentary systems, however, with some differences. The Portuguese parliamentary system slightly resembled the French semi-presidential system with the PM and the President sharing executive powers, although the PM in the Portuguese case was disproportionately more powerful. Among the key powers of the President was the ability to monitor the government, appoint the PM, and call for early elections in case of a government deadlock. More importantly, the President was elected directly by the people, thus bestowing the presidency with democratic legitimacy. In this respect, the President was not merely the head of State, but enjoyed significant executive power. The 1982 constitutional revision, however, significantly reduced the powers of the president

\textsuperscript{46} Ibid.: pg130; Wiarda, 1989: pg352.
\textsuperscript{47} Lewis and Williams, 1984: pg131; Wiarda, 1989: pg353.
and delegated those powers to the PM, although the President continued to be
popularly elected. It is also worth noting that the 1976 constitution also created a
parallel institution to the government, called the Council of the Revolution. The
Council would wield considerable power up until its abolition by the 1982
constitutional revision. Among the power of the Council, were the ability to veto
any legislation it deemed unconstitutional and the right to approve of Presidential
candidates beforehand. The Spanish system is purely parliamentary, although in the
Spanish case, the role of head of the State was granted to the King.

The legislatures also differed in the two countries. The Portuguese
legislature is a unicameral legislature with 250 deputies, reduced to 230 in 1991, and
elected through the d'Hondt method discussed above. The Spanish legislature on
the other hand had to reflect the ethnic diversity of the country. Therefore a
bicameral legislature was adopted. The Congress of Deputies, or the lower house,
consisting of 350 deputies is responsible for electing the government and elected
through the d'Hondt method; and the Senate, or the upper house and the weaker of
the two, which reflected the interests of the 17 autonomous communities of the
country.

With the first elections concluded, what would the transition to democracy
look like in our two cases, and what were the factors that sustained the transition?
The paths our two cases followed were rather significantly different—a tumultuous
and unstable transition in Portugal, and a pacted and smooth transition in Spain. It
is worth noting, however, that the Spanish transition was severely threatened with
the attempted military coup of February 1981. Nonetheless, the coup was
unsuccessful and subdue in a matter of hours. The reason for this drastic
difference can be partially attributed to the party systems that emerged—the two-
party system in Spain would be expected to be smoother and stable, as empirical
evidence has shown two-party systems to be more stable than fractured multiparty
system for which governing coalitions are necessary. Yet this is only part of the
explanation. The other factor to attribute to the different types of transitions had to
do with the socioeconomic factors in the respective states.

The Portuguese transition to democracy can only be characterized unstable.
From 1976 to 1987, Portugal went through five parliamentary elections and ten
different governments. In fact, it was not until the 1991 general elections that a
government completed a full four-year term in office. I argue that there were two
primary reasons for the highly unusable nature of the Portuguese transition. On the
one hand was the inexperience of political elites, which in combination with the
highly fragmentized party system made it difficult for the maintenance of governing
coalitions. While on the other hand, the impact of the struggling Portuguese
economy, again in combination with the fragmented party system made government
censures more likely. Yet despite these unfavorable conditions for a successful

48 The attempted coup ultimately failed because of inadequate preparation by the
perpetuators. This was to be a significant test for the legitimacy of the newly
established democratic regime. Importantly enough, the failed coup showed that
the majority of deputes in the Spanish Parliament supported the new regime as
demonstrated by their vote to confirm the new Prime Minister, Calvo Sotelo, with
186 votes in favor of his Premiership. Interestingly enough, only two days before
the attempted coup Sotelo had received only 169 out of 176 votes he would need to
secure his confirmation as Prime Minister. It has been argued that the swing of 17
votes in a matter of two days was a display of support for the new democratic
system and fear of an authoritarian turnaround. See Preston, 1986: pg150.
49 Lijphart, 1999: p137.
transition to democracy, the Portuguese transition continued unscathed. A quote from former PM, Francisco Balsema, best captures the tumultuous Portuguese transition: ‘If you gather all the data—the inflation, unemployment, the number of returnees from Africa—the situation is explosive...But in Portugal nothing happens.”50 Thus, what sustained the Portuguese transition, despite all the relevant factors going against its success? I argue that the best predictor to the successful outcome of the Portuguese transition to democracy was the multiparty system itself and the concept of political learning that slowly emerged during the transition period.

The economic situation of Portugal during the early years of the transition was dire. Unemployment stood at the low teens, inflations was at the high teens, agricultural production fell, the economy slowed down, and in 1975 the economy even shrunk by 4.3%.51 For the average citizen, these conditions were exacerbated by the implementation of austerity measures conditioned by IMF loans. Even the center-left PS was forced to implement conservative economic measures to satisfy IMF demands. Thus the overall economic climate was not conducive to a successful transition to democracy. Additionally, the very first constitutional government, headed by PS party leader Soares, was a minority government, despite a coalition potential with PSD or the extreme left PCP. While the decision not to invite the PCP into a formal coalition was understandable, considering the extreme stance of PCP on a number of issues, most noteworthy their anti-EEC stance, the decision not to

invite the PSD into a formal coalition seems unwise. Particularly considering that
the first constitutional government lasted only 15 months. The collapse of the first
constitutional government was only one out of ten different government that would

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<tr>
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<tr>
<td>PCP</td>
<td>14.35</td>
<td>18.8</td>
<td>16.75</td>
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<td>26.65</td>
<td>36.12</td>
<td>20.77</td>
<td>22.24</td>
<td>29.1</td>
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</tr>
<tr>
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<td>-</td>
<td>-</td>
<td>27</td>
<td>29.87</td>
<td>50.22</td>
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<tr>
<td>CDS</td>
<td>16</td>
<td>-</td>
<td>-</td>
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<td>9.69</td>
<td>4.44</td>
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</tr>
<tr>
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<td>44.91</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Others</td>
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<td>5.9</td>
<td>5.6</td>
<td>3.3</td>
<td>21.92</td>
<td>13.71</td>
<td>4.9</td>
<td>4.4</td>
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<tr>
<td><strong>Government Composition</strong></td>
<td>MG/</td>
<td>CG</td>
<td>CG</td>
<td>CG</td>
<td>MG</td>
<td>AMG</td>
<td>AMG</td>
<td>SMG</td>
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</tbody>
</table>

MG=Minority government; CG=Coalition government; AMG; Absolute majority government; SMG; Strong majority government.


Yet, as the transition period ensued, formal coalitions became more likely, even between the unlikeliest of partners. For example, the PS and CDS government of 1978 lasted only eight months, with the head of CDS, Freitas Do Amaral, stating that the only issues the two sides could agree on were the EEC application and IMF austerity programs.52 Nonetheless, despite the highly unstable early transition period, various governments undertook several important decisions. For example, in March of 1977, the Portuguese government submitted its official application for EEC membership. Additionally, in 1982, during a historic move by a core group of political parties—PSD, CDS and PS, which in conjunction controlled 208 out of the

52 Ibid.: pg28.
250 parliamentary seats—the government agreed to revise the constitution and abolish the Council of the Revolution. This would prove to be a historic moment, as one could argue it signaled the end of the transition to democracy and the beginning of the consolidation period. Interestingly enough, the Council of the Revolution did not put up a fight, and in true democratic fashion offered a letter of resignation by citing the following lines:

“Today we can affirm with pride that our promises made as members of the armed forces concerning Portuguese democracy have been fulfilled...the transfer of politico-military powers to legitimate elected institutions has taken place as we promised the Portuguese. With the constitutional revision in force the armed forces assumes its normal place in a democracy.”

In terms of political learning and political stability, if we measure the duration of the various Portuguese governments from the beginning of the transition to the mid 1990s, an interesting pattern emerges. The duration of governments increases on average as the transition reaches the consolidation phase. While from 1976-1979 the average cabinet life was 204 days, the average cabinet lasted 485 days during the 1979-1985 period. That number increased to 1009 days for the 1985-1991 period and 1454 days for the 1991-1995 period. What this pattern is showing, besides political stability, is the long-road of democratic learning. While the economic conditions of the transition phase certainly contributed to political instability in the late 1970s, no such pattern appears anytime after, despite similar economic hardships such as those of the early 1990s.

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53 Ibid.: pg49.
I want to emphasize the learning process because it is a key variable in achieving democratic consolidation. Bermeo has argued that democratic learning is "key to the reconstruction of democracy." Bermeo makes the important point that for democracy to move from the transition phase to the consolidation phase, a broad range of political actors, specifically political elites, need to undergo a cognitive change in the sense that that outcomes they wish to achieve are best served through the pursuit of democratic means, which under a democratic system, almost inevitably means compromise. Bermeo goes on to say that the democratic learning is "most important during the transition phase of the redemocratization process—at the critical moment between the crisis of the old order and the consolidation of the new one—for it helps explain why a new regime becomes democratic in the first place. It helps explain why, in essence, a dictatorship in crisis is replaced by a democracy rather than another dictatorial regime. [emphasis added]" In other words, Bermeo is speaking of political competition, for it is the defining characteristic that distinguishes a democratic regime from an authoritarian regime. Lipset has even called political competition the most minimalist conception of democracy, for only "a political system which supplies regular constitutional opportunities for changing the governing officials, and a social mechanism which permits the largest possible part of the population to influence major decisions by choosing among contenders for political office...can a complex society address its

56 Ibid.: pg275.
57 Ibid.: pg277.
58 Ibid.: pg273.
concerns. It is this fact of democratic life—the ability to change incumbents without changing the regime itself that is democracy's biggest “trump card”. As di Palma has argued: democracy works because it “is a system of compromise, it is exactly because of its openness and open-endedness, because its game is never final, because nobody loses once and for all and on all arenas, that under certain circumstances the democratic game may finally appear attractive, convenient or compelling even to its detractors.”

It is through this conception of democracy, as a competitive system of compromise and cooperation that one can best understand the reasons for why the Portuguese transition to democracy was successful despite the odds being against its favour. The multiparty system that emerged in Portugal created a political arena where no single party was able to dominated at the expense of the interests of others. The fact that no single party ever received an absolute majority in parliament made political coalitions an absolute necessity for successful governance. This last point is best illustrated by the fact that political parties in the Portuguese democracy were able to learn over time how to maintain coalition governments. The only party to have never governed in the Portuguese democracy is the anti-systemic PCP, which has never received more than 18% of the vote. In other words, the other three main parties have enjoyed around 72% of the vote in every election during the transition period (1976-1982). If democracy is defined as a polity where vast interests are able to compete and influence politics, it is highly

unlikely that a group of parties receiving an average of 72% of the vote—under a political system where the input of each individual party is necessary for an effective government—would revert back to authoritarianism. This is not to say that multiparty systems are unlikely to breakdown. Rather, such systems have lower rate of breakdowns due to their more inclusive nature.61

The explanation for the Portuguese transition that was offered above is not to say that a multiparty system is a necessary condition for a successful democratic transition. Although research has shown that power sharing institutions do have better democratic records, as our case study of Spain will show, two-party systems can be equally effective in consolidating democracy. Unlike Portugal’s tumultuous and unstable transition to democracy, Spain’s transition was smooth and characterized as pacted, negotiated, and consensus driven. This very fact is of outmost importance for a successful transition, as democracy scholar Larry Diamond has noted in a recent debate over the transition paradigm that “the only absolute precondition for achieving a democratic transition, aside from Rustow’s background condition of a reasonably coherent state...is a set of elites who decide for whatever reasons that democracy is in their interest.”62

Negotiated transitions have a particular focus on the elite level. However, such arguments overstate the role of elites. According to Perez-Diaz, characterizing

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the Spanish transition as elite driven “overstates the role of these elites and assumes that they had the resources of wisdom, will, and capacity for mobilizing support which in fact they lacked.” Furthermore, Perez-Diaz goes on to argue that it is the realm of civil society, which provides the meta-rules of the political game, “together with the background assumptions, social predispositions, and standards of appropriate behavior—standards governing our definition of what is “normal”, and how things are expected to work. [emphasis added].” Similarly, Share argues that: “The presence of a large middle class, unwilling to embrace political extremism of any type, clearly facilitated the writing and approval of a consensual constitution, agreement on consociational arrangements for the resolution of major economic issues, and the establishment of a moderate party system capable of peaceful alternation.”

Looking at survey data from the early years of the transitions, it is apparent that Spanish society was generally optimistic about the general economic conditions of the country and the near future. In 1976, 42% of the population thought that the economic future of the country would get better, while only 9% thought it would get worst; 61% thought that their individual economic situation had not changed or gotten better; and 54% felt optimistic about their individual economic futures, while only 9% felt pessimistic. Concerning the political condition of the country, in 1976, 65% of the population felt that there was more freedom “now” than before Franco; 78% preferred democratic representation, while only 8% preferred one-

63 Ibid.: pg32.
64 Ibid.: pg29.
man rule; 67% of the population felt that political parties should exist in Spain; although, 54% of the population said that they were “worried” about the future of the political situation.” Interview data also shows that the working class was generally moderate in their demands during the transition: in 1978, 78% felt satisfied with the physical conditions of their jobs; 49% viewed the firm as a team and not a setting of fundamental conflict. All these data seems to support the hypothesis, as Pintor has argued, that “there was more conformity and concern about maintaining hard-won gains than relative deprivation to be translated into the political arena.”

From the elite perspective, the transition commenced with equal caution. After the 1976 elections, the two right-wing parties (UCD and AP) possessed an overall majority in Parliament, which meant that they could have framed the new constitution in a highly favorable nature to right-wing interests. However, UCD party leader Suarez, decided upon a consensual approach to the drafting of the constitution, citing that “the Constitution, as the expression of national concord, must be obtained by consensus.” The same sentiment was shared by PSOE, with PSOE representative Gregorio Pecas-Barba stating that the necessity of securing a consensual constitution was not about ‘being in agreement with everything, but that the constitution would not contain any aspect which would be unthinkable to any political group.” The only party of somewhat significance to not support the

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70 Gunther et al., 1986: pg119.  
71 Ibid.
drafting of the new constitution was the Basque Nationalist Party (PNV).

Interestingly enough, according to interviews with key participants in the constitutional committees, even key personnel of the drafting committees were chosen because of their moderate characters. This combination of factors—the general agreement among major political parties concerning the production of a consensually derived constitution, and the designation of moderate characters in the drafting committees—reflected in the floor voting. According to Field, out of 192 floor votes on the Spanish constitution, 91% passed with the support of at least five out of the seven parliamentary groups. When the new constitution was put up to a final vote, it was accepted by 325 out of the 350 deputes; while the referendum was accepted by 87.7% of votes. Following the acceptance of the new constitution by parliament and the national referendum, Suarez called for new elections with the purpose of “giving legitimacy” to the new regime.

The consensus driven politics of the early transition, however, gave way to more majoritarian-style politics as the transition started to near the consolidation phase. According to Field, during the constitutional legislature (1977-1979) 86% of all proposed laws were passed by substantial collaboration between the key political parties; the percentage of successful bills reduced to 79% during the 1979-1982 legislature; and averaged 63% from 1982 up until 2004, with the least collaborative period being the 2000-2004 legislature in which only 52% of all bills

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72 Ibid.
75 Gunther et al., 1986: pg178.
were passed. More interesting, however, are Field’s findings when the percentage of successful laws is divided into two categories: ordinary laws and organic laws. Ordinary laws deal with substantive policy and require only a plurality of votes for approval. While Organic laws on the other hand have semiconstitutional status. In other words, organic laws deal with “rules of the game”.

<table>
<thead>
<tr>
<th>Table 4.4</th>
<th>Spanish National Elections (expressed in % of total vote)</th>
<th>1979</th>
<th>1982</th>
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<th>1989</th>
<th>1993</th>
<th>1996</th>
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<td></td>
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<td>-</td>
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<td>30.4</td>
<td>48.1</td>
<td>44.1</td>
<td>39.6</td>
<td>38.8</td>
<td>37.6</td>
</tr>
<tr>
<td>AP/PP</td>
<td></td>
<td>6.1</td>
<td>26.4</td>
<td>26</td>
<td>25.8</td>
<td>34.8</td>
<td>38.8</td>
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<tr>
<td>PCE</td>
<td></td>
<td>10.8</td>
<td>4</td>
<td>4.6</td>
<td>9.1</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Others</td>
<td></td>
<td>17.9</td>
<td>14.7</td>
<td>25.3</td>
<td>25.5</td>
<td>26.4</td>
<td>23.6</td>
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<tr>
<td>Government Composition*</td>
<td>MG</td>
<td>AMG</td>
<td>AMG</td>
<td>AMG</td>
<td>MG</td>
<td>MG</td>
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MG=Minority government; AMG=Absolute majority government.

When the percentage of laws that were passed from 1977 to 2004 is divided into the two aforementioned groups, another pattern emerges. Party collaboration over ordinary laws declined significantly, from 86% in the 1977-1979 constitutional legislature to 47% during the 2000-2004 legislature, and averaging 66% for the entire time-period. The percentage of successful organic laws on the other hand was 95% during the 1979-1982 legislature, and 73% during the 2000-2004 legislature,

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while averaging 76% for the entire time-period.\textsuperscript{77} Based on these findings, Field argues that the substantial degree of party collaboration over organic laws during the period of study has contributed to the consolidation of democracy in Spain, despite the drop in party collaboration over substantive policy.\textsuperscript{78}

The pattern of party collaboration in Spain and the overall transition period seems relevant to an important distinction between small and great parties, Tocqueville made in his study of American democracy. By great and small it is not meant the size of the party per se, but rather great or small in ideas and principles. During times of revolutions or political transformations, \textit{great parties} come to rise, because they “cling to principles more than to their consequences; to general, and not to especial cases; to ideas, and not to men... In them private interest, which always plays the chief part in political passions, is more studiously veiled under the pretext of the public good; and it may even be sometimes concealed from the eyes of the very persons whom it excites and impels.”\textsuperscript{79} \textit{Small parties} on the other hand come to rise during times of peace, when “human society seems to rest, and mankind to make a pause.”\textsuperscript{80} Small parties, argues Tocqueville, “are not sustained or dignified by a lofty purpose, \textit{but} ostensibly display the egotism of their character

\textsuperscript{77} Ibid. (The 76% mark was calculated by averaging out the percentage of successful organic bills for the 6 different legislative periods. The study actually examined 7 legislative periods, however, I chose to disregard the second legislature form 1982-1986 because it was an obvious outlier with party collaboration at only 36%. Field argues that this drop in party collaboration was due to the fact that during this period the PSOE was able to win an absolute majority in Parliament, the first one ever in modern Spanish history, which resulted in party collaboration reaching an all-time low.)

\textsuperscript{78} Ibid.: pg1101.

\textsuperscript{79} Tocqueville, pg198.

\textsuperscript{80} Ibid.: pg197.
in their actions. They glow with a factitious zeal; their language is vehement, but their conduct is timid and irresolute...Hence it arises that when a calm state of things succeeds a violent revolution, the leaders of society seem suddenly to disappear, and the powers of the human mind to lie concealed. [emphasis added]"\(^{81}\)

When this distinction is applied to the Spanish case, it appears that the early years of the consensus driven transition are analogous with Tocqueville’s notion of great parties. It was the leadership of Suarez, the principles of democracy and the idea of consensus that typified the success of the Spanish transition. After the initial years of the transition, however, more interest-driven politics started to replace the consensus driven transition, as Field’s study illustrated. However, the core principles of democracy were never threatened during this visible change in party collaboration. In fact, party collaboration on the “rules of the game” continued to show considerable persistence, even nearly three decades after the transition to democracy. Yet, this should come of no surprise. As Tocqueville pointed out concerning America’s young democracy, ‘both parties of the Americans were, in fact, agreed upon the most essential points; and neither of them had to destroy a traditionary constitution, or to overthrow the structure of society, in order to ensure its own triumph.”\(^{82}\) What Tocqueville is speaking of in this last quote is of course of democratic consolidation. It is apparent in this respect, that when great parties have given way to small parties, democratic consolidation has ensued.

3. **EEC Membership and Democratic Consolidation**

\(^{81}\) Ibid.: pg198.

\(^{82}\) Ibid.: pg199.
At this point I would like to briefly discuss the negotiation phase of EEC membership for both Portugal and Spain. In October of 1978 and in February of 1979, Portugal and Spain respectively begin their official negotiations with the EEC on the conditions for membership. Although the negotiations between the respective sides were to last for around six years, ultimately, the negotiations were no more than economic bargaining between the sides on the concessions each side was prepared to make. The *acquis communautaire*, however, was to be accepted by both countries in full, although transitions periods would be agreed on delicate chapters of the *acquis*. In other words, the six years of negotiations had no direct link in influencing the transitions to democracy, but rather revolved around the economic impact of membership. The only democratic aspect related to European integration was the belief by Portuguese, Spanish and European elites that EEC membership was going to act as an “insurance policy” against a potential authoritarian reversal.\(^{83}\) It is important to bear in mind that European integration was supported by all major political parties in both countries, with the exception of the communists in Portugal. Furthermore, all major interest groups, such as trade unions and employer organizations in both countries were supportive of integration.\(^{84}\) In this respect, European integration took place and was negotiated truly at the elite level, with minimal input from civil society. This fact was apparent in Portugal, for which according to survey data taken two years after the application


\(^{84}\) Pridham, 1991: pg204-205.
was submitted, “less than half of the nation’s urban population even knew what the EEC was.”

By 1985 all sixteen chapters of *acquis* had been negotiated and on January 1st, 1986 both states officially joined the EEC. The delicate chapters of the *acquis*, as was mentioned above, consisted on transitional phases for which the economies of Portugal and Spain would be given time before would be fully integrated into the European single market.

Although Portugal and Spain made major concessions in exchange for EEC membership, according to Eurobarometer data, a majority of Portuguese and Spaniards continued to think that their country had benefited from EEC membership. Specifically, the Portuguese had some of the highest approval rates in Europe with as many as 82% of the population in 1991 believing that their country had benefited from EEC membership. While the percentage of people believing that their country had not benefited from membership averaged around the mid teens for the 1986-1994 period. Portuguese approval rates of EEC membership remained high even during the economic recession of the early 1990s, even as the first negative signs of EEC membership started to appear. The Spanish experience, however, proved different. In general Spaniards have been less enthusiastic about the perceived benefits of EEC membership, with only 24% of the population believing that Spain had benefited from EEC membership in 1988. By the early 1990s, an upward trend had started to appear and in 1991, 58% of Spaniards had

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started to believe that their country had benefited from joining the EEC. However, as a result of the severe economic recession of the early 1990s—the worst recession in Spain since the 1974 international oil crisis—this trend proved short lived. By 1994, only 33% of Spaniards believed that their country had benefited from EEC membership, while 46% believing that their country had not benefited. Thus as Powell has argued, Spain’s “love affair” with Europe had not survived its first economic crisis.

Arguably, Portugal and Spain had both consolidated democracy by the early 1990s. Thus, by the 1990s, Portugal and Spain were no longer the focus of the transitions to democracy literature but the focus of the Europeanization literature. Although Europeanization as a concept has been difficult to define, in its most basic form Europeanization refers to the extent to which domestic institutions, policies and polities are in harmony with those at the EU level. In this respect, the Europeanization literature is focused on the extent to which particular members are Europeanized. From this perspective, there has emerged a broad agreement among scholars that Europeanization has altered the pre-existing institutional balance between the executive and the legislature, as Prime Ministers have come to play an increasingly important role in EU matters. This reality has not escaped our two cases. According to Magone, the Europeanization of Portugal has resulted in the

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88 Ibid.: pg155.
executive dominating the coordination of EU policy, while the parliament, subnational actors, interest groups, and even the Portuguese Committee of European Affairs have continued to play a diminishing role. Furthermore, Barreto argues that for a new democratic system with weak parliamentary and civil society traditions such as the Portuguese political regime, Europeanization, with its known democratic deficit “has not only failed to contribute to political modernization but perhaps contributed to the perpetuation of secretive and closed practices of the administration and the government...Additionally, in a country such as Portugal, which lacks deep-rooted democratic traditions, the European Union will not likely have a direct influence on enhancing democracy [emphasis added].”

The Portuguese experience with Europeanization seems to also parallel that of Spain. The Spanish party system, is effectively a two-party system, thus as a result, Spain’s negotiation of the accession treaty was dominated by the PSOE with its absolute majority in Parliament. Story and Pollack have even called the PSOE’s dominance of the accession negotiations equivalent to that of the single-party state. Although executive dominance over EU policies was expected to end after accession, in reality, accession only strengthened the executive. The majoritarian-style policy-making that has characterized Spanish politics after the transition to democracy has contributed to the executive overpassing parliamentary scrutiny over EU affairs.

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91 Magone, Jose in Kassim et. al., 2000: pg174.
The effects of European integration in Portugal and Spain, thus begs the question: if European integration resulted in the strengthening of the executive, how were our two cases able to mitigate this negative impact? The question leads to the core argument that I am trying to put forward in this chapter. Specifically, I have attempted to argue that democratic consolidation was achieved in our two cases because the democratic transitions of the mid-1970s remained domestic affairs *par excellence*. This is not to say that the prospect of EEC membership, the precondition of a functioning democratic system for EEC membership, and the role of the EEC itself in making recommendations in respect to the democratic transitions did not play a positive role in contributing to successful transitions. For example, following the attempted Spanish coup of February 1981, the European Parliament adopted a resolution that condemned the attempted coup, and more importantly requested that accession negotiations be sped-up in order to secure the Spanish democratic system.\(^95\) The EEC was equally important in the Portuguese transition, especially in helping secure the difficult economic situation in the country.

Rather, the essence of the argument being proposed here is that the EEC was not a direct factor in the transitions to democracy. The democratic transitions of our cases were primarily domestic affairs because EEC influence was limited in affecting domestic politics during the transition phase. Based on what’s been discussed so far, it is logical to conclude that, while the EEC did play an influential and positive role in the transition and consolidation of democracy in our two cases, the success of them cannot be directly attributed to the EEC when one thinks of scientific causes and

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\(^95\) MacLennan, 2000: pg166-167.
effects. *Thus, European integration appears to have been more of a moderator variable in the sense that it helped sustain the successful transitions to democracy, rather than a key independent variable that directly affected the success of the respective transitions.*

4. Conclusion

I began this chapter by pointing out that the two Southern cases represented only two out of six case studies this dissertation project was concerned with. Thus, the argument that was put forward in this chapter can only by understood through the overall purpose of the project. The conclusion that was reached in this chapter argued that the successful consolidation of democracy in Portugal and Spain could only be adequately understood by viewing the respective transitions to democracy as primarily domestic affairs. Furthermore, the institutional variable, which is of key importance to this study—the majoritarian versus consensual design of democracy—did not prove valuable in explain democratic consolidation in the context of European integration. In other words, the variation in the institutional variable did not alter the affect of the EEC variable on the successful consolidation of democracy in Southern Europe. *Thus, in contrast to what this study is arguing as being the cause of democratic regression in CEE, European integration (the pre-accession process) in the Southern enlargement did not hamper democratic learning under majoritarian democracies.* As the Spanish experience has shown, the consolidation of democracy in the context of European integration is not necessarily hampered by majoritarian-style politics.
It is important to recall at this point an important argument by one of the biggest proponents of the international dimension of democratization—Whitehead—who has argued that, “a genuine and securely implemented democratic regime requires the positive support and involvement of a wide range of social and political groupings, and that it would be a misattribution of responsibility to suppose that any real democracy could owe its origin mainly to some act of external compulsion or imposition [emphasis added].”96 This argument is also echoed by Schmitter who attempts to clarify the causal mechanism of the international dimension of democratization by arguing that full EU membership does not directly guarantee the consolidation of democracy, but rather “indirectly makes it easier for national actors to agree within a narrower range of rules and practices.”97 It is only in respect to Schmitter’s and Whitehead’s arguments that the interaction of the institutional and the EEC variables are better understood. Theoretically speaking, neither consensual nor majoritarian designs should be influential variables in explaining democratic consolidation in the context of European integration, because the institutional variable in and of itself is not a key independent variable but rather a mediator variable that provides the institutional framework through which European integration is processed. It is important that mediator and moderator variables are not confused. Mediator variables act as intervening variables in the sense that they help explain the causal mechanism between the independent and dependent variables by answering the how question; whereas moderator variables are variables which affect the direction and/or strength of the relationship between

97 Schmitter, Philippe in Whitehead, 2001: pg44.
the independent and dependent variables.98 Thus when our theoretical framework is modeled (figure 4.1), the institutional (mediator) variable only becomes relevant when it enters our theoretical model by intervening between the independent and dependent variables. The EEC (moderator) variable on the other hand, helped strengthen the transition to democracy by encouraging the development of a pluralist democracy. Yet, importantly, the EEC variable and the institutional variable did not interact with each other to a significant degree. The EEC variable was only influential indirectly, as the role of the EEC in the Southern transitions to democracy was limited to a moderator variable. In other words, the EEC variable proved to be secondary in affect and played only a marginal role in the successful democratic transitions of Southern Europe. Thus, because the institutional and EEC variables did not interact with one another, this chapter is able to conclude that European integration in Southern Europe positively affect democratic consolidation under both institutional designs—majoritarian and consensual.

Based on the theoretical model of figure 4.1, an important question arises: How does the outcome on the dependent variable change if the EEC and institutional variables interact with each other to a significant degree? It is in this respect that a cross-enlargement round comparison between CEE and Southern Europe becomes relevant. According to Holman, it is precisely the process of democratization in the context of European integration that makes Southern Europe highly relevant in comparative analysis with CEE, and the absence of the EEC variable from the Latin American democratic transitions that sets Southern Europe apart from Latin America.  

Furthermore, according to Grabbe, the pressures on the Eastern enlargement for policy adaptations and policy convergence during the pre-accession process were considerably greater than those on previous applicant states, even more so than the pressure for adoption and convergence on some current member states. The change in the differentiated accession criteria between the Southern and Eastern enlargements are primarily due to the deepening of the EU since the 1980s, but that fact is of no relevance to this study. What does matter is the variation in the accession criteria between the two enlargement rounds. This fact is important because it provides variation to one of the key independent variables of interest to this study. Thus, while in the Southern enlargement the EEC variable acted simply as a moderator variable in the sense that it was marginal in affect, it appears that in the Eastern enlargement the EU variable had more of a direct role. Due to the stricter conditions for membership and the more rigid pre-accession criteria, the EU variable seems to have acted more as a key

independent variable, rather than a moderator variable. More importantly, however, in the Eastern enlargement, the EU variables also seems to have interacted with the institutional variable to a considerable degree, thus raising the question of whether the pre-accession process had a differentiated affect on differently instituted democracies.

It is from this important methodological distinction between the relationship of the variables of interest in the two enlargement rounds that this study now proceeds onto. In the remaining three chapters this study will attempt to analyze the extent to which the EU variable (the pre-accession process) affected democratic consolidation in CEE, and the extent to which the theoretical argument that EU membership contributes to democratic consolidation is moderated by the empirical findings of this study.
CHAPTER 5: The Czech Republic and Poland

The democratic transitions of CEE were truly unique because they represented transitions from variations of totalitarianism. Thus in terms of implications for democracy, these types of non-democratic regimes were expected to present difficulties for the consolidation of democracy (see Chapter 2).

Nonetheless, the common historical experience with communism does not necessarily mean that each particular state was faced with similar problems for the transition to democracy. As Ekiert and Hanson have argued, “the fact that Hungary and Albania, or the Czech Republic and Belarus, or Poland and Kazakhstan shared a communist past explains very little about the paths that they have taken since.”¹ In other words, the “Leninist legacy” has mattered both, “less and more than scholars originally expected.”² Nonetheless, the democratization literature has produced a number of findings, some of which have universal applicability and some of which, according to Bunce have a more regional scope.³ Therefore, theoretically, as Morlino has argued, there must be a distinction between propositions with a high level of generalization and those more limited regionally.⁴ In this respect, it is important to point out at this early stage of the chapter that the hypothesis being examined here is limited to the democratic transitions of CEE in the context of

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² Ibid.: pg3.
European integration under conditions unlike those of previous enlargement rounds.

The two cases selected to be examined in this chapter were chosen for two reasons: one, they both represent democracies with consensually designed institutions; and two, both cases are generally considered to have consolidated democracy, thus providing ideal cases to examine the impact of European integration under consensually designed democracies. Yet before proceeding any further, it is important that a clear understanding of Poland and Czech Republic’s transitions to democracy are embedded within the larger democratization literature. The most widely cited work in this respect is Linz and Stepan’s study on Problems of Democratic Transition and Consolidation.5 Linz and Stepan’s typology of political regimes divides nondemocratic regime into four types: authoritarian, post-totalitarian, totalitarian, and sultanistic. In terms of democratization, each of these regime types poses different difficulties for transitions to democracy and the consolidation of democracy thereafter (see Chapter 2 of this study). For example, a former authoritarian regime will find the transition to democracy “easier” than a former totalitarian or sultanistic regime. Based on this regime typology, Linz and Stepan categorize the Polish regime of the latter stages of communism as more authoritarian as opposed to the frozen post-totalitarian regime of Czechoslovakia.

According to Linz and Stepan, in each of the four key typological dimensions of totalitarianism—pluralism, ideology, mobilization, and leadership—“Poland

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contained some totalitarian but even stronger authoritarian tendencies.”6 For example, in April of 1950 the Polish government began to allow religious education in public schools and even agreed not to interfere with the church press (this was an issue that was anathema to communist ideology).7 Additionally, privately owned farms never dipped below 70% of the total of Poland’s agricultural holdings.8 And finally, according to survey data taken in 1981, 60-80% of the respondents declared to be in favor of a polycentric power model, while around 70% said that they favored the independent self-governing trade union Solidarity.9 Czechoslovakia on the other hand represented a more entrenched post-totalitarian regime, one that the authors labeled as frozen post-totalitarian. By frozen, the authors mean that the regime was neither moving toward an out-of-type change (toward authoritarianism) nor was it in the early phases of post-totalitarianism.10 In other words, the hardliners of the communist regime and their orthodox adherence to communist ideology did not create and environment conducive to change. While Czechoslovakia’s experience with communism was harsher than that of Poland, paradoxically, it also provided the country with a blessing for the consolidation of democracy after the collapse of communism. Because the Czechoslovakian communist regime did not engage in economic reforms, it received almost no

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6 Ibid.: pg256.
7 Ibid.
8 Ibid.: pg258.
9 Ibid.: pg262-3.
10 Ibid.: pg319.
foreign credit, and thus transitioned to democracy without a significant amount of foreign debt.\textsuperscript{11}

Based on Linz and Stepan’s typology, we would expect that Poland would find the transition to democracy somewhat easier than the frozen post-totalitarian regime of Czechoslovakia. However, another set of democratic literature suggests that Czechoslovakia would indeed be an ideal candidate for a successful transition to democracy. As far back as Lipset’s \textit{Social Requisites of Democracy},\textsuperscript{12} scholars have been able to establish a strong correlation between economic development and successful democratic transitions. In this respect, Czechoslovakia came out of communism as the most industrialized state in the region, as well as the state with the lowest per capita debt and low levels of inflation during the early years of transition.\textsuperscript{13} Thus, functionalist arguments suggest that the chances a transition to democracy will be successful increase as economic conditions improve. Importantly as well, Czechoslovakia also had a strong democratic legacy, as it was the only state in the region to have a fully functioning democratic system during the interwar period. The democratic legacy argument is related to the genetic school of thought in the democratization literature, which argues that democracy is not simply a function of preexisting conditions, but at the same time requires a commitment by

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\begin{itemize}
  \item \textsuperscript{11} Ibid.: pg296.
  \item \textsuperscript{12} Seymour Martin Lipset. "Some social requisites of democracy: Economic development and political legitimacy." \textit{American political science review} 53.1 (1959): 69-105. Print.
\end{itemize}
political elites to the effective establishment of the new regime. As Rustow has argued, “The factors that keep a democracy stable may not be the ones that brought it into existence: explanations of democracy must distinguish between function and genesis.”\textsuperscript{14} Yet the two approaches to democratization are not necessarily conflictual but rather represent a dynamic model to understanding the complexities of democratization. In this respect, within the group of cases that made up the Eastern enlargement, we are expected to witness a degree of variation in a number of important independent variables that purport to explain successful transitions to democracy.

In addition to the difficulties of the peculiar nature of CEE transitions to democracy, there was also the problem of what Offe has called the “triple transition”. Offe argues that unlike previous transitions to democracy in Southern Europe or Latin America, the transitions in CEE are different in the sense of territorial disputes, migrations, minority and nationality disputes, and corresponding secessionist movements.\textsuperscript{15} Furthermore, and important in relation to the overall objective of this study, the “triple transitions” of CEE were infused with yet another “transition”—that is, the European integration of the region. The European integration of CEE in and of itself would not be a problematic issue for studying the democratic transitions of the region. However, as Grabbe has rightly argued, the EU has assumed that the European integration and democratic transitions of CEE are part of the same process, regardless of the fact that “EU


policies and regulatory models were created to fit economies and societies at a very different level of development, and they contain anomalies that are the outcome of a bargaining process between different interests and traditions.”  

The European integration of CEE that progressed simultaneously with the transitions to democracy has raised a number of questions concerning the impact of integration. Schmitter for example has argued that external incentives are less likely to be effective during the transition phase than the consolidation phase due to the fact that during transitions, the pace of change is too drastic for external promoters of democracy to be able to implement an effective strategy. Thus, an effective promotion policy will depend as much on the quality of the strategy as on the timing of the strategy (appropriateness). The timing question raises even bigger concerns when one considers the highly underdeveloped theoretical approaches to democracy promotion. As Dimitrova and Pridham have argued in relation to CEE's European integration: despite the growing importance of the international dimension of democratization, “there is a lack of a theory explaining when democracy promotion can be expected to succeed and what mechanisms govern the interaction between international democracy promotion and domestic

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factors.” Similarly, Anderson stipulates that even if we were to assume that European integration generates benefits for democracy, the linkage remains unclear as to whether the effects will be similar from case to case or in differently instituted democracies. The theoretical underdevelopment of the democracy promotion literature is also reflected in the broader Europeanization literature. According to Goetz, “the Europeanisation of national polities has not yet reached a stage where it is possible to set out a widely accepted 'standard version' of executive Europeanisation,” not least because of theoretically neglected studies which fail to incorporate typologies such as parliamentarianism versus presidentialism and majoritarian versus consensual democracies.

A leap forward in a better understanding of the relationship between European integration and democratization has been made by the constructivism literature. For instance, in their influential study *The Power of Human Rights*, Risse and Ropp find that to a significant degree, the adoption of international norms has depended on the resonance of domestically favorable conditions such as openness to western ideas and past experience with liberal democracy. Similarly, Schimmelfennig et al., have found that the “impact of international organizations on the democratic development and consolidation in Eastern Europe depends on

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20 RW.ERROR - Unable to find reference:827
external incentives and domestic conditions. Constructivism has thus provided an alternative explanation to rational choice arguments, which have argued that the conditionality principle of the pre-accession process has been influential in promoting democracy in pre-accession CEE. Yet the two approaches are not necessarily conflictive. As this study will show, only by combining the two approaches can we better understand post-accession divergent patterns of CEE.

Bearing in mind this brief theoretical overview, it is worth reiterating that the institutional hypothesis that is being tested in this study attempts to put findings within a theoretical framework that better illustrates the interaction between domestic and international factors and their impact on democracy. Thus as Morlino has suggested, empirical inquiries of this type should attempt to make a discernable external-internal agency interaction for a better understanding of the conditions under which the promotion of democracy by the EU in new-member states is likely to be effective. In this respect, the institutional hypothesis provides an appropriate and widely accepted institutional typology under which to examine the behavior of political actors in the external-internal nexus of democratization. Thus why have consensual democracies been more conducive to democratic consolidation under the context of European integration, and what mechanisms explain this relationship as demonstrated by the cases of the Czech Republic and Poland?

In order to address this question, the remainder of this chapter is organized as followed. Section one examines the collapse of communism and the early

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\textit{24} Morlino, 2012: pg144.
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transition period. Section two illustrates what defines the pre-accession process and how this environment affected political competition in the two cases. Furthermore, this section will also provide the theoretical model which attempts to explain the external-internal nexus of democratization under consensually designed democracies. Section three examines the post-accession period. Finally, section four concludes the chapter.

1. **The Collapse of Communism**

The purpose of this brief survey of the literature on the collapse of communism and its immediate implications for democracy is not to ascertain the causality of communist legacy but rather to provide a more comprehensive picture of the transitions to democracy in the two cases. Ascertaining the mechanisms through which the communist legacy affects democracy requires a study of its own, as there is no consensus among scholars on how to define legacies and how such legacies affect democracy.\(^{25}\) Nonetheless, this brief overview will provide some empirical evidence for the theoretical understanding of the democratization of the Czech Republic and Poland. In this respect it is appropriate that the first case to be examined is Poland, being that it was the first East European state to establish a non-communist government in 1989. Bruszt has even argued that it was the Polish Roundtable Negotiations, which activated the “Gorbachev Effect” that ended the Brezhnev Doctrine.\(^{26}\) The Gorbachev effect thus had the influence of weakening the anti-reformist wings of communist leaderships in Eastern Europe and strengthening

\(^{25}\) Ekiert and Hanson, 1999: pg4.
their more reform oriented counterparts, thus giving way to the post-communist transformation of Eastern Europe.\textsuperscript{27}

The Polish case is unique because not only was it the only CEE state to possess more authoritarian tendencies than post-totalitarian ones, but at the same time, one can see the roots of regime collapse going back to the 1956 Poznan Uprisings. Kubow has argued that in order to understand the birth of the Solidarity movement in August of 1980, it is best captured by viewing the movement through the following formula: “August 1980 = June 1956 + March 1968-1 + December 1970 + June 1976.”\textsuperscript{28} These dates in other words represent uprisings in terms of demonstrations and strikes that ultimately gave birth to Solidarity. Thus when the 1980 Gdansk Agreement was reached between government and Solidarity, which allowed for the legal registration of the Solidarity Trade Union and the adoption of the Act on Limitation of Preventive Censorship, it arguably marked the end of the totalitarian period in Poland. By the time of the legalization of Solidarity, the movement had mobilized nearly half of the Polish working force—nearly 10 million in total, 750,000 of which also held Communist Party membership cards.\textsuperscript{29} Thus according to Ekiert and Kubik, by the mid-1980s, Poland had established an “incomplete” civil society “with relatively dense organizational structures both formal and informal at various levels and in all functional domains.”\textsuperscript{30}

\begin{itemize}
\item \textsuperscript{27} Linz and Stepan 1996: pg242-3.
\item \textsuperscript{29} Dryzek and Holmes, 2002: pg225.
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The role of Solidarity in the Polish transition to democracy is arguably the key independent variable in explaining the “collapse” of the communist regime in Poland. I put the term collapse in quotation marks because the Polish transition was more of a pacted transition rather than a complete collapse of the communist regime. Yet the reality of events has shown that Solidarity was the key player in explaining the end of communism in Poland. Michnik recalls a conversation with a colleague of his during the Roundtable Negotiations in which his colleague suggested that it was not the communist regime that was legalizing Solidarity, but Solidarity giving legitimacy to the communist regime.\(^{31}\) Kubik has argued that Solidarity had become such a powerful social movement during the 1980s that it was able to survive a decade of repression.\(^{32}\) According to Kubik, Solidarity had reached such high levels of support because it “consisted of a cultural-political class that mobilized millions of people around apolitical symbols and discourses.”\(^{33}\) Solidarity’s popularity thus showed itself in the first semi-free elections of June 1989 in which all but 65% of seats in the Polish Lower House (Sejm) that were reserved for the communist party went to Solidarity.

The 1991 Parliamentary elections therefore represented the first truly free elections of post-communist Poland. The results produced a highly fragmented party system that was to characterize the Polish transition thereafter. A total of 29 parties won parliamentary representation and not a single party received more than 13% of the vote. The 1993 Parliamentary elections which saw the reformed

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\(^{33}\) Ibid.
communist party, Democratic Left Alliance (SLD) regain power, although reducing
the number of parliamentary parties to 7, produced highly disproportional results
as the 7 parties which were able to gain parliamentary representation received only
65% of the total vote. The 1997 elections reduced the number of parliamentary
parties to 6, yet voter volatility remained high. Voter volatility which measures the
net change in the percentage of votes a party gains or looses from one election to the
next, shows that total voter volatility in Poland was at 34% for the 1991-1993
elections; 19% for the 1993-1997 elections; and 49% for the 1997-2001 elections.34
The average of these numbers, while being around the 35% mark for the CEE
average,35 are much higher than voter volatility in the two neighboring cases of the
Czech Republic and Hungary which had average voter volatility rates of 25% each
for the 1990-2002 period.36 The emerging Polish party system for the 1991-2001
period was therefore highly unstable and represented somewhat of an anomaly
even compared to CEE standards. The unstable nature of the new Polish democracy
was only made more difficult to consolidate due to the semipresidential nature of
the new system, which was not fully institutionalized until the 1997 Constitution
replaced the "little" constitution of 1992.

Yet despite the unstable nature of the party system, according to Ekiert and
Kubik, the weakness of the party system was accompanied by the growing size of

34 Radoslaw Markowski. "The Polish elections of 2005: Pure chaos or a restructuring
36 Scott Mainwaring and Edurne Zoco. "Political Sequences and the Stabilization of
Interparty Competition Electoral Volatility in Old and New Democracies." Party
By 1994 some 7000 associational organizations had sprung up. Ekiert and Kubik go on to argue that Polish civil society was also the most active and rebellious in the region during the 1989-1993 period as measured by the number of protests, strikes, and demonstrations. Interestingly, the authors also conclude that while Poland experienced the highest rates of strikes and mass demonstrations in the early post-communist period, it was also the one state where an authoritarian reversal seemed most unlikely. This was in contrast to Slovakia, which experienced the least number of strikes and mass demonstrations, yet it was the one case where an authoritarian reversal also seemed most likely. The Polish early transition thus exhibited a number of anomalies and inconsistencies with the democratization literature, yet it also proved to be the most resistant to an authoritarian reversal.

The Czech Republic on the other hand provides an antithesis to the Polish experience with communism and early transition to democracy. It is worth mentioning at this point that the Czech early transition was intimately linked with the breakup of Czechoslovakia. The breakup thus provides a methodological opportunity for a controlled comparison with Slovakia. Therefore, occasional references will be made to Slovakia.

Czechoslovakia’s most notable attempt to reform the communist system goes back to the Prague Spring of 1968. The reform movement of 1968 was driven primarily by the decline of the Czechoslovak economy, especially the decline in

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38 Ibid.: pg101.
39 Ibid.: pg189.
40 Ibid.: pg194.
exports to Eastern markets. The declining economy thus prompted a reform
movement, which included not only a program for reforming the economy, but the
liberalization of social relations as well. In this respect, reforms attempted to
implement some form of freedom of speech, a genuine federal system, democratic
procedures, and interest-group activities. While this did not represent the first
attempt by a satellite state to reform the system, according to Skilling, these reforms
were more radical than any other previous ones in the Soviet bloc, thus prompting
the invasion of Czechoslovakia by Soviet troops. It is worth noting, however, that
the reform-minded communists of Czechoslovakia were not trying to dismantle the
system, rather the attempt was made to rescue the system by giving socialism a
"human face". Nonetheless, the subsequent Soviet invasion removed all reform-
minded communists from power, which in effect resulted in what Linz and Stepan
called "frozen" post-totalitarianism in Czechoslovakia.

The collapse of communism in Czechoslovakia thus took the form of a non-
vviolent revolution (the Velvet Revolution), and unlike the Polish pacted transition
which took 10 years, and unlike the Hungarian "collapse" which took 10 months, the
Czechoslovakian collapse took 10 days, to use the often-cited phrase from Timothy
Garton Ash. Czechoslovak communists thus held on to power until the very last
minute, and it took days of mass demonstrations to finally bring the regime to its
knees. This type of collapse meant that the opposition received full control of the
provisional government until the first free elections of June 1990. The immediate

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41 Richard Voyles Burks. "The decline of communism in Czechoslovakia." *Studies in
42 Gordon Skilling. "Czechoslovakia’s Interrupted Revolution." *Canadian Slavonic
winners of the collapse were the Civic Forum (OF), which represented the anti-communist movement in the Czech lands, and Public Against Violence (VPN) which represented the corresponding movement in the Slovak lands. Glenn has argued that the two movements were successful in mobilizing support for the demonstrations because their claims were “antipolitical” and represented an alternative to the political experience of Czechoslovakia under communism. Interestingly, this argument finds a parallel with Kubik’s claim that Solidarity was able to survive a decade of suppression precisely because it garnered support around apolitical symbols and discourses.

The June 1990 elections produced two clear winners—OF in the Czech lands and VPN in the Slovak Lands. The two parties formed a coalition government under the federal system. However, different approaches in the two republics over the speed of reforms and the constitutional structure of the federal system ultimately led to the peaceful breakup of the federation on January 1st, 1993. While the Czech preferred a speedy reform program, the Slovaks preferred a more cautionary one. Concerning the structure of the federal system, while the Czech were pushing for a more powerful centralized system, Slovaks preferred the status quo. These elite views on the future path of the new democratic system also reflected on mass levels. According to survey data, in January of 1992, 66% of Czech respondents said that the speed of economic reforms was fast enough or not fast enough, while only 45%

of Slovak respondents shared this opinion.\textsuperscript{44} Different views on economic reforms, however, were expected to an extent considering that Slovak lands were hit more severely by the economic transition. Concerning the federal system, 43\% of Slovaks felt that they were “paying for the Czechs” under current arrangements, while 95\% rejected the view that the Czechs were paying for the Slovaks.\textsuperscript{45} Nonetheless, the decision to split was made at the elite level, as the Slovak population did not support the breakup. Even in March of 1993 (after the breakup), only 29\% of Slovaks stated that they would have voted for independence if the choice was put to a referendum.\textsuperscript{46}

The breakup, however, was to have important implications for the paths each republic took in the immediate years afterwards. Evans and Whitefield have argued that despite the common historical experience, the common transitions from communism, and similar institutional designs, patterns of political divisions in the two cases differ drastically.\textsuperscript{47} According to the authors, whereas in the Czech Republic “the transition to the market emerges as a central component of the ideological structuring of party divisions, in Slovakia, ethnic questions are most closely related to party divisions and economic issues have only a secondary impact [emphasis added].”\textsuperscript{48} Similarly, Kopecky and Mudde find that the different paths to democratization in the two cases are traced primarily to the character of political

\textsuperscript{45} Ibid.: pg654.
\textsuperscript{46} Ibid.: pg651.
\textsuperscript{48} Ibid.
competition among political elites.\textsuperscript{49} The authors argue that in the Czech Republic political competition is unidimensional and is structured along the socio-economic dimension; whereas in Slovakia political competition is multidimensional, in which national and identity questions take primacy over the socio-economic dimension.\textsuperscript{50} The Czech party system was therefore showing signs of stability as early as 1996, the cause of which being primarily the dominance of the socio-economic dimension of political competition.\textsuperscript{51}

We should also not fail to acknowledge the role of the EU in the democratic transitions of CEE in the early post-communist years. According to Vachudova’s influential work \textit{Europe Undivided}, during the 1989-1997 period the EU was only marginally affective in the region because it could only possess a form of passive leverage against the newly democratized states of the region. Vachudova makes a theoretical separation between passive and active leverage in which passive leverage was driven by the attraction of EU membership; while active leverage was driven by the deliberate conditionality principle applied to the pre-accession period which lasted from 1997 until EU entry.\textsuperscript{52} This theoretical separation is important because Vachudova was able to show that under those democratic systems that had adopted liberal democratic norms, such states took cues and advice from the EU,

\textsuperscript{50} Ibid.: pg75.
however, the EU did not play a decisive role in affecting domestic change. In other words, the Polish, Hungarian and Czech transitions to democracy and their liberal paths were their own creation, and absent the EU, we would have expected similar outcomes. Theoretically, the EU in this respect acted more as a moderator variable as it had done during the Southern enlargement (see Chapter 4), rather than a key independent variable which it developed into during the active leverage phase of the Eastern enlargement. With this theoretical separation in mind, it is worth reiterating that this study is concerned primarily with the impact of the pre-accession period (active leverage period) on the democratic transitions of CEE. It is therefore this important phase of the European integration of CEE, which I now turn to.

2. The Pre-Accession Process

2.1. "Governance by Enlargement"

The active leverage phase of the pre-accession process is thought to have began in 1997 for the simple fact that in July of 1997 the European Commission produced its official Opinion on the applications for membership for each respective applicant. The Opinions were roughly structured around the Copenhagen Criteria and how well each candidate state was aligned in meeting the accession criteria. Although the criteria were comprehensive in the sense that they covered political, economic, and regulatory aspects of enlargement, at the same time, they were broad enough to allow for much subjective interpretation. Not only did this make the EU a

53 Ibid.: pg81.
moving target due to the ambiguous nature of the accession criteria,\textsuperscript{54} but at the same time, made them non-negotiable. According to a Grabbe, the adoption of the \textit{acquis communautaire}, which consisted of the first essential preparation for membership was expected to be adopted fully and was non-negotiable because EU law superseded national laws.\textsuperscript{55} Therefore, in effect, the EU presented the adoption of the \textit{acquis} purely as an administrative task rather than a political task that required legislative debates.\textsuperscript{56} While such a form of policy adoption might not be problematic for established democracies, the sates of CEE were still in transition phase during the pre-accession period, thus rightly prompting concerns among scholars over long-term consequences.

The EU’s influence in affecting domestic change was therefore greater than its influence on current members. According to Borzel and Risse, Europeanization can cause three different degrees of domestic change: absorptive, accommodative, and transformative.\textsuperscript{57} Absorptive change occurs in the form of low domestic change and simply consists of incorporating European policies or ideas into existing laws and norms; accommodative change results in medium domestic change and consists of accommodating European policies and ideas by “patching up” existing policies and norms; and transformative change results in the highest degree of domestic

\textsuperscript{54} Grabbe 2002: pg251.
\textsuperscript{56} Ibid.
change by replacing existing policies or norms by European ones.\textsuperscript{58} The authors conclude that the ability to cause transformative domestic change depends on adaptational pressures in response to Europeanization.\textsuperscript{59} Adaptational pressure in this respect means the degree of misfit or incompatibility between EU-level policies and norms and the domestic counterparts on the one hand, and the facilitating factors, which respond to adaptational pressures on the other.\textsuperscript{60} In this respect, the authors conclude that under the rational-choice institutionalist perspective to Europeanization, adaptational pressures depend on the absence of multiple veto players and the presence of supporting institutions; while under the sociological institutionalist perspective adaptational pressures depend on norm entrepreneurs and a cooperative political culture.\textsuperscript{61} In the context of the Eastern enlargement, the EU seems to have affected transformative change, largely due to the high adaptational pressure of post-communist transformations and the overriding goal of “returning to Europe”. Yet an important question rises in relation to the facilitating factors that respond to the adaptational pressure of Europeanization: Will the EU’s transformative power affect similar domestic changes under consensually designed and majoritarian designed democracies?

The answer to this question will largely depend on the extent to which the pre-accession process affected political competition in the candidate states, especially party politics as the enlargement process was top-down oriented with an emphasis on the role of the executives. Accordingly, Grabbe has argued that EU

\textsuperscript{58} Ibid.
\textsuperscript{59} Ibid.: pg2.
\textsuperscript{60} Ibid.
\textsuperscript{61} Ibid.: pg12.
conditionality had a threefold affect in the governance structures of candidate states: 1, it concentrated EU resources at the hand of the executive and marginalized the legislative; 2, it reinforced a tendency toward the “core executive” through the management of the accession process; and 3, it excluded regional governing bodies from sub-state reforms, despite promoting regionalization through conditionality.62 Dimitrova and Pridham has labeled this form of domestic change through conditionality as “governance by enlargement”.63

This form of external influence under democracies in transition is problematic in fomenting a democratic political culture, especially for post-communist transformations. Using 1995-97 World Values Survey data, Howard shows that post-communist CEE states exhibit lower rates of organizational membership than post-authoritarian states.64 Furthermore, the lower levels of membership in CEE still held even after controlling for a number of country-level and individual-level factors, thus suggesting that prior regime type was the main variable explaining the different rates of membership for post-authoritarian and post-communist countries.65 Thus the top-down nature of “enlargement by governance” becomes even more problematic when one considers the lower levels of civil society in CEE, as well as what Agh has called the eliticisation of democratization in CEE due to the overparliamentarisation of politics as a result of

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63 Dimitrova and Pridham, 2004: pg97.
65 Ibid.: pg160.
the dominant role of political parties in post-communist politics. In other words, the EU’s approach toward the Eastern enlargement has the potential of creating democracies without democrats. As Grabbe has argued, by marginalizing the legislature through the pre-accession process, the EU risks exporting some aspects of its own democratic deficit to the new democracies of CEE.

The next section theorizes the impact of the pre-accession process and how this change in the domestic structure of political competition affected democracy in the two cases. In other words, did political competition in the context of European integration have a long-term impact for the consolidation of democracy under consensual institutional settings? And if so, in what manner and what does the experience of consensual democracies tell us about the broader impact of democracy promotion by the EU?

2.2. Political Competition under European Integration

The impact of European integration on political competition has become a hot topic in the Europeanization literature. In one of the earliest attempts to assess this impact, Mair was able to conclude that in contrast to many areas that have experienced the impact of European integration, the party systems of Western Europe have been most impervious to change. Mair was able to make this assessment by showing that Europeanization of party systems has neither resulted in changing the “format” of party systems—increasing or reducing the number of

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relevant parties in contention in national electoral arenas; nor in the “mechanics” of party systems—“the way in which parties interact with one another in the national electoral arenas, either by modifying the ideological distance separating the relevant parties, or by encouraging the emergence of wholly new European-centred dimensions of competition.”

Furthermore, Mair argues that in cases where Europeanization did have a direct impact on party systems in terms of changing the format of the system, the new parties which emerged due to their anti-European profiles were outside the mainstream and could be found either on the extreme left or extreme right of the ideological spectrum. In conclusion, Mair argues that because European politics take place at the executive level, it reduces the active engagement of the general electorate, and in affect results in “hollowing out” political competition at the domestic level, and “promotes a degree of consensus across the mainstream and an inevitable reduction in the range of policy alternatives available to voters.”

In other words, according to a later assessment of Mair, “hollowing out” of political competition results in: one, limiting the policy space that is available for political competition due to the harmonization of policies across the Union; two, reducing policy instruments available to national governments due to the delegation of decision making at the EU-level; and three, limiting the policy repertoire of national governments through the “process of

70 Ibid: pg34.
negative integration, whereby once-standard policy practices are disallowed on the grounds that they interfere with the free market.”

Ladrech has reached a similar conclusion, arguing that European integration constrains national governments and in the long-term may influence the functions of political parties, such as recruitment, elections campaigns, interest aggregation, interest articulation, party governments, and ultimately result in the depoliticization of national politics. Thus according to the author, European integration should be viewed as an independent variable, while the impact on political competition as the dependent variable. However, when this theoretical argument of the impact of Europeanization on party systems is applied to the emerging party systems of CEE, the causality mechanism does not hold. Enyedi has argued that because the emerging party systems of CEE were part of the European integration process from their inception, they did not simply adapt to European integration, but were rather directly shaped by the process. Similarly, Ladrech has argued that because CEE party elites expressed a strong interest in joining the EU, the pre-accession process (the adoption of the acquis) in effect resulted in displacing the socio-economic dimension of partisan conflict between main parties by political-cultural issues. As a consequence of this, parties on the far left and far right exploited the gap in the

74 Ibid.: pg395.
left-right ideological battle, and in affect, European integration contributed in preventing the institutionalization of party systems in CEE.77

Thus the question rising in the context of this study and this chapter in particular is whether political competition under the context of European integration produces a pattern of political competition under consensually designed democracies that differs from that of majoritarian democracies. In this respect it is instructive to recall Anthony Downs’ hypothesis from *An Economic Theory of Political Action in a Democracy*. Dawns hypothesizes that political parties formulate policies in order to gain votes: in other words, they do not seek to gain office in order to carry out preconceived policies; rather they formulate their policies in order to support a particular group.78 Downs goes on to argue that under a strictly two-party system in which the electorate is normally distributed along the left-right ideological spectrum, meaning the majority of voters are located near the center, while only small minorities are located at either extreme end, the two parties in contention are forced to converge toward the center because that is the location which is likely to result in the most number of votes gained. While under an electorate which is not normally distributed, for example, one which is U-shaped, parties are more likely to diverge from one another because they are likely to receive more votes by moving toward either extreme end rather than converging toward the center. The implication of this model is that under a normally distributed electorate, the democratic system is more stable than under a U-shaped

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77 Ibid.
electorate, which provides the conditions for changing policies from one extreme to the other. On the other hand, under a multiparty system, the electorate is less likely to be normally distributed because such multiparty systems often reflect social cleavages, thus the parties in contention do not necessarily need to converge toward the center or diverge toward the extremes. Because the electorate is more likely to be W-shaped in the sense that different societal groups which hold left-right tendencies are found throughout the ideological spectrum, contending parties gain more by sticking to their definite ideological positions rather than moving toward either end due to the simple fact that there is less space between competing parties than under a two-party system.

Downs’ hypothesis thus provides an appropriate theoretical argument to assess the impact of European integration on political competition under differently instituted democracies. Because EU membership was such an overriding goal at the elite and mass-levels, it is assumed that views toward European integration were normally distributed along the left-right spectrum. Pridham has shown this to be the case in pre-accession CEE, as mainstream parties moved toward the center and became more EU supportive, while extreme parties became marginalized, although with some cross-sectional variation. Furthermore, survey data has also shown that majority of CEE citizens have been supportive of EU membership. Thus

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79 Ibid.: pg143.
European integration became one of the identifying features which political parties used to separate themselves from one another.⁸²

An interesting way of testing the impact of European integration on political competition is to analyze the emergence of “eurosceptic” parties and the impact such parties had on political competition. Before defining what it means to be a eurosceptic party, it is important that we understand theoretically how euroscepticism contributes to political competition under the context of European integration. Euroscepticism is often viewed through a normative lens and is judged to be undesirable, especially in respect to advancing the European project. Furthermore, because most parties with anti-EU profiles often emerged from the extreme left or extreme right, euroscepticism is also associated with radicalism.⁸³ Yet a new set of literature is emerging which views euroscepticism from the political competition point of view. In one of the earliest assessments of euroscepticism in Western Europe, Taggart, while making the claim that such parties were often found in the fringes of their respective party systems due to the fact that European issues were of secondary importance, such parties provided a touchstone of domestic

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dissent to European integration.84 More recent assessments have expanded on this notion of euroscepticism as a source of political competition and have made eurosceptic dissent a key ingredient of European integration. De Wilde and Trenz for example, argue that because the EU lacks the conventional institutions and procedures for popular representation, eurosceptic parties have become essential actors in introducing elements of popular democracy and making sense of the European project by providing alternative views on the future of the Union.85 In this respect, the authors conclude that “we cannot simply discard Euroscepticism as irrational, emotional or marginal. Euroscepticism is not something to be overcome by more rational ways of communicating with the public, or by giving EU citizens the electoral possibility to ‘throw the rascals out’ at EU level. It is something that will remain prominent for as long as the EU seeks to consolidate its future.”86 In other words, euroscepticism represents a way of addressing the Union’s democratic deficit.

Borrowing from the work of Schapiro and Dahl, Mair argues convincingly that because the EU has not provided the platform for organizing opposition within the polity by creating arenas through which opposition forces can hold European governance accountable, domestic forces are pushed to create opposition to the EU. Thus, “once we cannot organize opposition in the EU, we are then almost forced to

86 Ibid.
organize opposition to the EU." \(^87\) Mair goes on to argue that the lack of oppositional opportunities within the EU has resulted in the depoliticization of European politics, which in affect has resulted in depoliticizing decision-making at the national level as well. \(^88\) Mair's conclusion on the depoliticization of the EU is that it has provided a breeding ground for populist parties, which ultimately threatens the future of the EU project itself. \(^89\) It is interesting to note, as Mair himself does, that Dahl foresaw the depoliticization of West European democracies as far back as 1965.

Dahl was able to argue that in Western democracies, criticisms of social and economic structures had all but disappeared from political competition. \(^90\) This in affect resulted in what Dahl called an “irrational consensus” which had the implication of endangering democratic systems by displacing the important questions over social and economic structures toward communist or radical right parties. \(^91\) Furthermore, Dahl suggests that the key dimension of political competition, should not be of the technical nature, but rather on more implicit than explicit values, on psychological orientations and predispositions. \(^92\) Interestingly, if we recall Grabbe's earlier argument that the EU represented the adoption of the *acquis* as a purely administrative task rather than a political task, we can see that Dahl’s claim has good grounds for suggesting that the pre-accession process and the lack of political competition over the adoption of the *acquis* could have detrimental

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\(^{88}\) Ibid.: pg7-8.

\(^{89}\) Ibid.: pg16.


\(^{91}\) Ibid.

\(^{92}\) Ibid.: pg22.
affects on democracy. Thus as Diamond has argued, democracy is a system of institutionalized competition—without competition there is no democracy.93

2.3. Czech and Polish experiences with pre-accession

The Czech and Polish democracies represent systems with more consensually designed features than their majoritarian counterparts. Specifically, such systems are characterized by multiparty systems (effectively); multiparty cabinets; longer-lasting cabinets; proportional representation (the percentage of votes received by a given party is equal to the percentage of seats received in the legislature); and better-organized interest groups. All these variables thus become useful in assessing the impact of the pre-accession process under consensual democracies which are characterized by pluralism rather than more “limited” competition of majoritarian systems. Based on table 5.1 we are able to see that the Czech Republic and Poland, when comparing all five variables of consensual democracies against CEE averages, although standing somewhere around the average, represent some of the more consensually designed democracies in the region. Therefore, what do these variables tell us about political competition for consensual democracies under the context of European integration?

As has already been made clear, the pre-accession process resulted in an asymmetrical relationship between the EU and the candidate states, as the EU was able to dictate the terms of accession. Thus in effect, candidate states became policy-takers. Although the pre-accession process was to last from 1997 up until the conclusion of negotiations in 2003, the entire process in essence consisted in

negotiating transition periods for different chapters of the *acquis*. In other words, dissent in the sense of outright rejection of certain chapters of the *acquis* or EU membership as a whole was generally absent. The exceptions to this trend were those parties categorized as eurosceptic. In order to assess the impact of eurosceptic parties on political competition, we must first define the concept.

Table 5.1 (covering elections from 1990 up to 2005)

<table>
<thead>
<tr>
<th></th>
<th>Effective Number of Parties*</th>
<th>Cabinet Formation **</th>
<th>Cabinet Durability ***</th>
<th>Disproportionality ****</th>
<th>Corporatism *****</th>
</tr>
</thead>
<tbody>
<tr>
<td>Czech Republic</td>
<td>4.08</td>
<td>39.3</td>
<td>2.07</td>
<td>6.43</td>
<td>2.2</td>
</tr>
<tr>
<td>Poland</td>
<td>5.11</td>
<td>43.7</td>
<td>1.48</td>
<td>9.09</td>
<td>2.7</td>
</tr>
<tr>
<td>CEE Average</td>
<td>4.38</td>
<td>33.7</td>
<td>1.92</td>
<td>6.94</td>
<td>2.5</td>
</tr>
</tbody>
</table>

*This variable is calculated by squaring the seat percentages of each party, summing them and taking the reciprocal of this sum. Thus the higher number means more consensual.

**This variable is expressed by averaging out the percentage of time a country is governed either by minimal winning coalition and by single-party cabinets. These two formations represent majoritarian design because of the limited number of parties represented in a cabinet. Thus a higher percentage means more majoritarian.

***This variable is expressed in the average number of years a cabinet lasts before dissolution.

****This variable is expressed in the average percentage of electoral disproportionality (% of votes received vs % of seats received in the legislature).

*****This variable measures the degree of concentration of interests groups and their ability to reach tripartite pacts between government, labor unions, and employers' organizations. Thus higher values are related to better-organized efforts and consensually designed democracies.


According to Taggart and Szczerbiak, euroscepticism is conceived by differentiating between “hard” and “soft” euroscepticism.\(^94\) Hard euroscepticism relates to the outright rejection of European integration in its current form. In other

words, EU membership is undesirable. Soft euroscepticism on the other hand is related to a more contingent or qualified rejection of European integration. Meaning, scepticism is directed toward specific policy issues as they relate to particular interests. According to the same authors, the Czech Republic and Poland are both cases with some of the highest rates of public and party-based euroscepticism among the candidates of the Eastern enlargement.95

Kopecky and Mudde find fault with Taggart and Szczterbiak’s categorization of hard versus soft euroscepticism and devise their own typology. The authors argue that Taggart and Szczterbiak’s categorization is too inclusive and propose a two dimensional categorization of euroscepticism that distinguishes between specific and diffuse support for European integration.96 By diffuse support the authors mean support for the general ideas of European integration; and by specific, support for the general practice of European integration.97 Based on this distinction, the authors produce a two-dimensional map which categorizes party-based euroscepticism into four categories: euroenthusiasts who support the general ideas of European integration and its current practice; eurosceptics who support the general ideas of integration but are pessimistic about the current and future working of the EU; europragmatists who neither support nor reject integration, but are willing to work from within; and eurejects who reject the ideas of integration

97 Ibid.
as well as its current workings. Based on this categorization, the authors find that among the Czech Republic, Poland, Hungary, and Slovakia (using election results from 1998 and 2001), the Czech Republic and Poland have the most euroreject parties (measured in percentage of seats in the respective legislatures), while Hungary contains the most euroenthusiastic parties.98

I mention these different conceptions of euroscepticism because there is no agreement among scholars on the best conceptualization of euroscepticism. Nonetheless, these labels become useful in cross-sectional comparisons when used consistently. Thus from this point on, this study will refer to these identifying labels for party-based euroscepticism, unless otherwise specified.

The pre-accession process (1997-2004) consisted of three tools, which the EU used to affect domestic change in the candidate states. The first tool was the Application Opinions, which the Commission published in 1997 in relation to the applications for membership from the candidates. The Opinions consisted of an evaluation of domestic conditions and the preparedness of each particular state to meet to Copenhagen Criteria. The second tool was the annual Regular Reports the Commission produced from 1998 until 2002 which traced the progress of negotiations for membership with each particular state. The third tool consisted of the Accession Partnerships, which provided a single framework for negotiating priority areas identified by the Regular Reports as the most important issues for negotiation. Grabbe has argued that the Accession Partnership provided the EU the must effective tool in influencing CEE policy-makers by tying PHARE funding to key

98 Ibid.: pg317.
priority areas set out in the Partnerships.\textsuperscript{99} Interestingly, this resulted in shifting PHARE priorities from assisting general transition and developmental goals, which the PHARE program was set out to accomplish in the early 1990s, to prioritizing the adoption of the acquis.\textsuperscript{100} These three tools thus became the mechanics through which the pre-accession process interacted with domestic politics and affected political competition.

If we recall Mair’s earlier argument that party systems have been the most impervious to Europeanization, Poland appears to be the exception. According to Lewis, European integration has had the greatest direct impact in Poland due to the rise of new anti-EU or eurosceptic parties.\textsuperscript{101} The 2001 Parliamentary elections resulted in the newly established far-right League of Polish Families (LPR) gaining 7.9\% of the vote. LPR was the only party during the 2001 election campaign that openly opposed EU membership due to the secular and materialistic nature of the Union.\textsuperscript{102} Party chairman, Marek Kotlinowski, called for an alternative path to the EU during the electoral campaign, while vice-chairman Roman Giertchy recalled the communist experience under Soviet dominance, arguing that “we did not fight for our independence for all those years only to now give away a portion of our

\textsuperscript{99} Heather Grabbe. \textit{A partnership for accession?: the implications of EU conditionality for the Central and East European applicants.} European University Institute, Robert Schuman Centre, 1999. Print. pg14.
\textsuperscript{100} Ibid.
\textsuperscript{101} Lewis, 2005: pg185.
sovereignty to some kind of supranational organization.” Furthermore, LPR, which was heavily linked with the youth group All-Polish Youth, became active in staging demonstrations against EU membership and disrupted pro-European meetings. Therefore, as accession negotiations advanced, and as EU membership seemed ever more likely, euroscepticism rose, not only because the realities of accession were becoming apparent, but the ultimate goal of “returning to Europe” was no longer threatened. Thus Eurosceptic parties became active in debating the implications of membership.

Along with LPR’s strong anti-EU rhetoric, another group of already established parties started adopting tones of euroscepticism. Self-Defense (SRP), which received barely 0.1% of the vote in the 1997 parliamentary elections, gained around 10.2% of the vote in the 2001 elections. SRP’s political profile was an extreme-left agrarian populist party, which strongly questioned the conditions of Poland’s entry into the EU. According to the party’s own website, European integration limited the productivity of Polish agriculture, steel, coal mining, and light industry, and that in its current form, European integration could be supported by the party. Based on Taggart and Szczerbiak’s conceptualization of soft and hard euroscepticism, SRP and LPR would both be categorized as hard Eurosceptic, while according to Kopecky and Mudde’s classification, both would be categorized as eurosceptics. Among the issues that united SRP and LPR’s hard euroscepticism were

104 Rafal Pankowski. The populist radical right in Poland: the patriots. Routledge, 2010. Print. pg113-4
their views against the right of foreigners to purchase Polish lands and companies, as well as the question of agricultural subsidies (considering that nearly 20% of Poles were employed in agriculture in 2001).

Another group of parties with more soft eurosceptic tones were the Polish Peasants' Party (PSL), which while officially in favor of integration, cautioned against EU membership “at any price” and favored membership “on conditions that is mutually advantageous” to the EU as well as Poland;\textsuperscript{106} the Law and Justice Party (PiS) which favored membership, however, requested that the decision of whether to join would have to take the form of a referendum, and in that respect, the Polish people would have to be presented with a document explaining the side effects of joining the union;\textsuperscript{107} and finally, Solidarity Electoral Action Right (AWSP), which represented a pro-integration profile, yet, contained internal factions which were either eurejects or euroscepetics.\textsuperscript{108} AWSP, however, while receiving 5.6% of the vote in the 2001 elections, could not secure parliamentary representation. Thus depending on which categorization of euroscepticism one adopts, the 2001 parliamentary elections resulted in eurosceptic parties gaining anywhere from 38.5% of parliamentary seats to 9.1% (table 5.2).

Markowski and Tucker have analyzed the rise of eurosceptic parties in Poland and the impact this had on the Polish party system by concluding that LPR and SRP were able to gain nearly 20% of the popular vote in the 2001 elections


\textsuperscript{108} Kopecky and Mudde, 2002: pg311.
because they positioned themselves against EU-integration, which in affect resulted in attracting voters who were in part interested in voting for eurosceptic parties. ¹⁰⁹

The authors were able to show that LPR and SRP voters were generally more eurosceptic than the general electorate, non-voters, and other parties categorized as eurosceptic. Furthermore, the authors show that LPR received a majority of its votes from those voters who voted for AWS in the 1997 elections, while SRP received its majority of votes from those who voted for PSL, the Democratic Left Alliance (SLD), and the Union of Labor (UP). Additionally, because the majority of votes to LPR and SRP came from those who did vote in the 1997 elections, as opposed to non-voters, confirms the argument that AWS, SLD, PSL, and UP voters migrated over to LPR and SRP because these parties better represented their interests. The implication of these findings, according to the authors, is that it confirms Downs’ hypothesis discussed above which suggested that political parties

formulate their political position for the purpose of representing a particular group, especially unrepresented ones.

At the mass-level, euroscepticism was equally apparent. According to survey data, support for European integration started to fall from 1997 onwards. For example, support for EU membership stood at 72% in April of 1997 and steadily declined to 55% by March of 2002; while attitudes against membership increased from 11% to 29% for the same time-period.\textsuperscript{110} The June 2003 referendum on the accession treaty replicated these eurosceptic views, with 77.4% of the electorate voting for membership, while 22.6 voting against. From the point of view of civil society on the other hand, NGOs, associations, and the business community, generally supported European integration.

Thus what impact did the pre-accession process have on political competition in Poland? To start with, not only did the integration process have a direct impact in changing the format of the party system by introducing new parties, but at the same time it changed the mechanics of the party system by modifying ideological stances through eurosceptic views toward integration. Yet, why is euroscepticism helpful for democratization? The theoretical overview that was discussed above suggested that European integration cut short the transition to democracy by prioritizing the accession criteria, rather than domestic concerns over the consolidation of democracy. Euroscepticism in this regard was the moderator variable that mitigated the negative impact of the pre-accession process for the consolidation of democracy. By thwarting political competition, the pre-accession

process treated candidate states as advance market economies with established democracies, without any concerns for long-term consequences. Yet because the Polish multiparty system allowed for the accommodation of new parties, and because the multiparty system allowed for those established parties to carve-out eurosceptic profiles without fearing dissolution, the consensually designed Polish democracy was therefore able to mitigate the potential negative impact of the pre-accession process by responding to those negative aspect of integration through competitive ideas toward integration. In other words, euroscepticism prevented the unset of what Dahl called the “irrational consensus” over the implications of European integration. Euroscepticism in this respect prevented the reduction of political competition to technocratic competition. Thus as Enyedi and Lewis have so eloquently suggested, while the Polish party system may be the least Europeanized due to the high number of eurosceptic parties, Europe is the most present in Poland because of the high degree of euroscepticism in the country. In this respect, Poland provides conclusive empirical evidence that euroscepticism is an integral part of the European integration process, rather than an undesirable and dangerous feature of the European project.

The Czech pre-accession period differed somewhat from the Polish experience. However, as will be shown, the institutional variable is equally instructive in explaining how the integration process affected political competition. Unlike Poland’s highly fluid party system in which from 1993-2011 only two parties, 

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SLD and the Civic Platform (PO), were ever reelected into office, the Czech system has been highly stable and alternations in office have occurred only between the center-left Czech Social Democratic Party (CSSD) and the center-right Civic Democratic Party (ODS). Thus political competition in post-communist Czech Republic has revolved around the two aforementioned parties. Yet, unlike the Polish experience with euroscepticism, which consisted of parties primarily on the fringes of the party system, ODS which represented one of the two mainstream Czech parties was at the forefront of euroscepticism in pre-accession Czech Republic.

While Poland appears to have experience the biggest direct impact of European integration on its party system, the Czech Republic came to be categorized as the most eurosceptic candidate, and gained the reputation as a nation of sceptics. At the forefront of Czech euroscepticism was the center-right ODS with party leader Václav Klaus. ODS, while supportive of EU integration, and in this respect representing only a soft form of euroscepticism, developed a political profile that was highly critical of accession negotiations, and the way, according to Klaus, the EU was treating Czechs. According to Hanley, Klaus started developing a “Thatcherite” eurosceptic position, by criticizing the EU for being too bureaucratic and too economically interventionist. Based on the party's 2001 Manifesto of Czech Eurorealism, the Union was a whirlpool of conflicting interests in which the interests of existing members were going to override those of the Czechs. Thus as a

consequence, the manifesto argued that the Czechs were only going to gain entry as “second rate” citizens. In this respect, the Czech, according again to the manifesto, should prioritize the quality of pre-accession negotiations rather than the speed of negotiations.\textsuperscript{114}

Klaus also showed political astuteness and a good understanding of the workings of the EU. In relation to the adoption of the acquis, Klaus argued that the Czech needed to bear in mind that the acquis varied across member states, and the Czech should try and shape it according to Czech needs.\textsuperscript{115} Furthermore, in relation to the acquis chapter which dealt with the free movement of capital and labor, Klaus demanded that the Czech receive equal treatment after entry, yet at the same time, Klaus suggested that he “never cherished any illusions about the EU waiting for the Czech Republic with open arms,” and that hopefully pre-accession negotiations “had opened the eyes of some Czech politicians who painted the EU entry process in rosy colors.”\textsuperscript{116} Thus according to the party’s eurorealist manifesto, European integration was not a politically neutral and technocratic process of adopting the acquis, but rather represented a negotiating process of conflicting interest in which the Czech needed to protect theirs.\textsuperscript{117}

ODS euroscepticism, however, was not something that fomented during the pre-accession period, but had deeper roots. The party’s 1992 election program rejected the idea of moving from one sphere of influence (the Soviet Union) straight

\textsuperscript{114} Ibid.
\textsuperscript{115} Ibid.: pg6.
\textsuperscript{116} Pesendorfer in: Skuhra, 2005: pg148.
into another (the EU). By the 1996 elections, European integration had become the party's main foreign policy goal, however, ODS still maintained that the powers of the Union should derive from the sovereignty of its member states. Yet, as the pre-accession process commenced, ODS euroscepticism became more direct. According to Hanley, the pre-accession process which coincided with declining support for ODS, provided the party with an opportunity to mobilize voters around the impact of integration.

The other eurosceptic party, which represented more hard-tone euroscepticism and even categorized as eureject by Kopecky and Mudde was the unreformed Communist Party of Bohemia and Moravia (KSCM). KSCM, which was the successor the former Communist Party of Czechoslovakia, remained unreformed from their predecessor during the very early years of the transition period. Yet the new neo-communist profile, which the party created for itself around the mid 1990s, did not fully embrace the emerging capitalist system, but rather represented a resistance to it. KSCM, therefore, rejected EU integration in principle because it represented the interests of the capitalist class. Although KSCM maintained a somewhat ambiguous position on whether it would support EU accession, it eventually adopted a “No” stance on the 2003 referendum concerning the accession treaty because integration was not acceptable under current conditions.

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118 Ibid.: pg517.
119 Ibid.: pg518.
120 Ibid.: pg548.
In terms of political competition, the socio-economic dimension of political competition continued to dominate Czech elections even during the pre-accession process. However, for the first time, the 2002 elections, which fell dead-middle of EU negotiations were strongly influenced by the pre-accession process. KSCM, which in the 1998 elections had received 11.03% of the vote, was able to receive 18.51% of the vote in the 2002 elections. While it is difficult to assess whether KSCM’s hard eurosceptic views were the reason for the improved gains of the 2002 elections, it is apparent that based on survey data, KSCM supporters had become overwhelmingly against EU membership (whereas 22% of KSCM supporters stated that they supported EU membership in 1997, only 12% said so in 2002).\(^{122}\)

Competition between the ruling CSSD and main opposition OSD during the 2002 electoral campaign was also structured around EU integration. Thus according to Kopecky, the 2002 elections represented the first attempt by major political parties to frame their electoral campaigns around the issue of European integration.\(^{123}\)

Based on the classifications of euroscepticism provided above, eurosceptic parties (ODS + KSCM) gained 49.5% of parliamentary seats in the 2002 elections. The 2003 referendum on the accession treaty reflected these eurosceptic views as 77.33% voted in favor while 22.67% against. The majority of votes against accession came from hard eurosceptic KSCM, and surprisingly, center-left CSSD. However, to an

\(^{122}\) Linek and Mansfeldova in: Lewis and Mansfeldova, 2006: pg27.

extent this is expected as referendum voting showed that those voting against tended to be more leftist.\textsuperscript{124}

The impact the pre-accession process had on the Czech party system is less direct than that of Poland in the sense that it did not change the format of the party system by introducing new parties in response to the integration process. Nonetheless, political competition was highly structured based on views toward integration. While no new parties emerged, the pre-accession process had the impact of indirectly structuring political competition among mainstream parties and therefore changing the mechanics of the party system. Yet, unlike the Polish experience where eurosceptic parties remained somewhat on the fringes of the party system, euroscepticism in the Czech Republic cut through mainstream political competition. For example, ODS which represented the main opposition, often blocked bills related to EU entry, usually followed by KSCM.\textsuperscript{125} Furthermore, while most candidates had introduced some form of fast-track legislative procedure for adopting the acquis, this procedure, although adopted in the Czech Republic as well, was never used.\textsuperscript{126} This should not come as a surprise however, considering the prioritization of the quality of accession negotiations rather than the speed of negotiations that ODS based is eurorealistic position on. The consensually designed Czech democracy thus appears to be less of a relevant factor in explaining how political competition was affected by the integration process as eurosceptic views in

\textsuperscript{124} Linek and Mansfeldova in: Lewis and Mansfeldova, 2006: pg29-30.
the Czech Republic predated the pre-accession process. Nonetheless, it is worth recalling that the socio-economic dimension of political competition in the Czech republic remained unchanged even during the pre-accession period. Thus while the pre-accession process did not directly affect the *format* of the party system, at the same time, it did not produce any negative affects for the *mechanics* of the party system which had shown signs of stability as far back as 1996.

Thus similar to the Polish experience, euroscepticism in the Czech Republic provided a mitigating factor, which prevented the reduction of accession negotiations to what Klaus called a “politically neutral and technocratic process”. Eurosceptic parties ensured that European integration remained a political process with real consequences. In attempting to understand domestic debates in the Czech Republic over the European Constitutional Treaty, Rakusanova argues that the treaty became a symbol of cleavage in political and ideological terms between the governing CSSD which supported the treaty and main opposition ODS and KSCM who rejected the treaty.127 Rakusanova goes on to argue that the character of political competition over the treaty provides evidence that the Europeanization of the Czech republic took place during the pre-accession process in which political parties played a key role in politicizing European integration through the character of eurosceptic parties.128 In other words, the pre-accession process did not have a detrimental affect on political competition in the Czech Republic.

128 Ibid.: pg365.
The two cases thus provide us with a few implications for democracy promotion through EU enlargement. Consensually designed democracies appear to be suited with the appropriate institutional designs to prevent the detrimental affects of the pre-accession process. Specifically, this chapter was able to show that the multiparty nature of consensual democracies provides a competitive environment where anti-EU parties are able to carve-out their political profiles without fear of reverting to political obsolescence. By utilizing Downs’ hypothesis that multiparty systems tend to have W-shaped electorates, the Polish example was able to show that new parties can enter political life even with clear anti-EU profiles, despite such a profile going against those of mainstream parties. Although under the Czech example, no new parties emerged in direct response to European integration, the multiparty nature of the Czech system was equally instructive in showing how such a system provides a conducive environment for anti-EU and eurosceptic parties. As the next chapter will show, under majoritarian designed democracies, anti-EU parties were generally absent and eurosceptic parties were often unable to gain parliamentary representation.

Ability to gain parliamentary representation is another feature of consensual democracies that explains why under such systems, eurosceptic parties are more likely to thrive. Such systems often use electoral formulas of proportional representation. In contrast to majoritarian electoral formulas such as first-past the post in which the party with a plurality of votes secures the seat for that particular electoral district; under consensual democracies, proportional representation means that a given party is more likely to gain parliamentary representation as
under such systems, residual votes from the district level are allocated and redistributed at the national level, usually through an electoral threshold formula. Meaning, in a given election, if the electoral threshold is set at 5%, a given party only needs to receive 5% of the vote at the national level in order to gain parliamentary representation. The implication of the electoral formula means that small parties are more likely to gain representation under proportional formulas than under majoritarian formulas. The reader must also bear in mind that there are a number of other factors, in addition to electoral formula, which determine whether a two-party or multiparty system emerges. As we saw in Chapter 4, both Portugal and Spain adopted similar electoral formulas, yet the results proved different—an effectively two-party system in Spain and a multiparty system in Portugal. Nonetheless, there is a high degree of consistent empirical evidence showing that proportional formulas tend to produce more fragmented party systems.

If we look at the 2001 Polish parliamentary elections, we can see that three out of the four parties categorized as eurosceptic (LPR, PSL, & PiS), received less than 10% of the popular vote each. Meaning, under a more majoritarian formula, such parties were not likely to gain parliamentary representation. While in the Czech example the two eurosceptic parties (ODS & KSCM) received over 18% of the

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129 The read must bear in mind that there is a difference between the legal electoral threshold and effective threshold. For an evaluation of this distinction see: Rein Taagepera. "Nationwide threshold of representation." Electoral Studies 21.3 (2002): 383-401. Print.
130 Tatiana Kostadinova. "Do mixed electoral systems matter?: a cross-national analysis of their effects in Eastern Europe." Electoral Studies 21.1 (2002): 23-34. Print. pg30-1. Kostadinova was able to show that the effective threshold has had the impact of reducing party system fragmentation in Eastern Europe for the period of 1989-2000.
popular vote each, such parties would likely have received representation even under more majoritarian electoral formulas. Nonetheless, it is also worth mentioning that under consensual democracies election results also tend to be more proportional. Thus under consensual democracies, the percentage of votes received by a given party, is roughly similar to the percentage of parliamentary seats allocated to that party. Under majoritarian systems on the other hand, parliamentary seat allocations tend to be disproportionate, which means that a party gaining 20% of the vote might get only 10% of parliamentary seats. Although disproportionality can also work in favor of parties by giving them better parliamentary representation than the actual vote received, such system tend to favor larger parties than smaller parties. In other words, under consensual democracies, eurosceptic parties are more likely to gain parliamentary representation due to lower electoral thresholds and more proportional representation.

The importance of eurosceptic parties during the pre-accession period is that it provided the accession process a sense of legitimacy. The view that the EU was imposing its interests on the Czech Republic and Poland were widespread among the electorate and political elites alike. Thus a party system that did not allow for the emergence of eurosceptic parties, albeit small parties, would not allow for legitimizing the pre-accession process, despite the overriding goal of EU membership. As survey data has shown, as accession drew nearer, and as the implications of membership became more apparent, the public reacted by expressing more reservations toward membership. Thus when euroscepticism is
viewed as a source of political competition, it adds a degree of legitimacy to the pre-accession process, as those whose interests would be affected by integration and voices were suppressed due to the conditionality principle, were able to voice their opposition through eurosceptic parties or other social platforms with a eurosceptic nature. As Powell has argued, the advantage of proportional representation is that it allows for entry into the legitimate process of democratic competition even small and regional parties, which can then bargain their interests through the democratic process.  

Powell goes on to argue that although proportional representation might give birth to extreme parties that may cause governmental instability, “the association of extremism and citizen turmoil is notably outweighed by effects of participation and representation.” Thus, as Rustow has rightly argued, “Only through continual expression of disagreement by sharply rivaling groups can political participation be maximized and political equality thus approximated. Agreement and consensus can only be the end-product, not the prerequisite, of the democratic political process.” Interestingly, it is precisely by preventing what Dahl called an “irrational consensus” over European integration that euroscepticism in the Czech Republic and Poland made their biggest contribution to democratic consolidation. Rustow even goes on to say that only through the process of

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132 Ibid.
dissension can democracy become a learning and problem-solving process.\textsuperscript{134} In this respect, the pre-accession process appears to have not had a detrimental affect on the Czech and Polish democracies by not preventing democratic learning, and by extension to other CEE candidates with similar levels of euroscepticism. Interestingly enough, Schimmelfennig has shown that the more eurosceptic a CEE candidate was, the better accession terms it received.\textsuperscript{135} In other words, euroscepticism seems to have paid off materially as well.

In terms of democratic theory, European integration certainly improved the overall economic condition of the candidate states, and by extension improved the probability that the democratic transitions of CEE would end in consolidation (Lipset’s functionalist argument). However, on the other hand, European integration had the negative impact of suppressing political competition and by extension hampering the emergence of a democratic political culture (Rustow’s genesis argument). Yet because the Czech Republic and Poland were able to mitigate this particular negative impact, they were able to maintain their democratic transitions without allowing the integration process to curtail political learning and the further development of a democratic political culture. Thus the Czech and Polish experience provided to be ideal cases for examining how European integration interacted with the domestic institutional context.

3. Post-Accession Performance

\textsuperscript{134} Ibid.
The post-accession periods of the Czech Republic and Poland are less interesting in the sense that we do not witness longitudinal variation in the levels of democracy in comparison with the pre-accession period. Nonetheless, a few noteworthy developments are worth mentioning in both cases. For the Czech Republic, the first European Parliament elections (2004) produced somewhat surprising results. The two eurosceptic parties (ODS + KSCM) were able to receive 62.5% of seats allocated to the Czech Republic in the European Parliament, while the ruling and euroenthusiastic CSSD received only 8.8%. The results were rather surprising in the sense that European issues were barely discussed in the election campaign, yet the vote went to eurosceptic parties.\footnote{LUKÁŠ LINEK. "Czech Republic." European Journal of Political Research 44.7 (2005): 983-93. Print. pg988.} When comparing these results with the 2002 Czech parliamentary elections in which ODS + KSCM received 49.5% of parliamentary seats while CSSD received 35%, the initial conclusion to reach would be to assume that the Czech electorate had gotten more eurosceptic over the past two years. Linek and Mansfeldova, however, were able to show that eurosceptic parties were able to receive such a high percentage of the vote not because the Czech had become more eurosceptic, but because eurosceptic voters turned out in higher numbers.\footnote{Linek and Mansfeldova in: Lewis and Mansfeldova, 2006: pg37.} To an extent this was to be expected. The Czech Republic had gained a reputation as a nation of skeptics, and with EU membership in the rearview window, European issues lost relevance to mainstream voters. As Hlousek and Pavel have shown, European issues dropped significantly from the
2006 general election campaign in comparison with the 1998 and 2002 elections.\textsuperscript{138}

Furthermore, as the socio-economic dimension had dominated Czech political competition since 1996, European issues were easily displaced once membership was secured.

In terms of political competition, while 2006 showed the reassertion of the socio-economic dimension, by 2010, however, the once highly stable Czech party system was showing some signs of instability. The two leading Czech parties, ODS and CSSD, which had dominated Czech politics, started seeing their popular support dwindle. In the 2006 Parliamentary elections, ODS and CSSD were able to secured 67.7% of the vote, while by 2010 their support had reduced to 42.3%. The newcomer, TOP-09, a newly formed center-right party was able to secure 16.7% of the vote. By the 2013 parliamentary elections, however, due to a corruption scandal incorporating Czech PM and ODS party leader, Petr Necas, ODS suffered a devastating blow as it was able to receive only 7.7% of the vote. CSSD on the other hand, saw it support reduced to 20.5% of the vote, albeit still the leading Czech party.

The post-accession performance of the Czech Republic can therefore be described as unstable for a number of reasons. As was just discussed, first reason related to changes within the party system as two new center-right parties, TOP-09 and ANO-2011, recreated the party landscape at the expense of ODS. Second reason is related to the number of government collapses. Notably three government collapses.

collapses took place between 2006 and 2013. First was the collapse of ODS minority government of October 2006. Second was the collapse of another ODS government in March of 2009 related to the Russian-Ukrainian “gas crisis”. Lastly, was the collapse of yet another ODS government in June of 2013 due to a corruption scandal, which ultimately resulted in the early 2013 elections. In this respect, ODS appears to have dug its own grave as it continually showed it could not govern effectively. Yet despite the unstable nature of Czech Republic’s post-accession performance, progress toward democratic consolidation continued unscathed as no major issues threatened the consolidation of democracy.

Polish democracy on the other hand experienced something of a populist backlash after the 2005 parliamentary elections in which PiS was able to gain electoral victory and form a coalition government with LPR and SRP. PiS which had found itself as a center-right party had slowly shifted to the far right, and by the 2005 elections had branded itself as the representative of the Polish nation in order to cleavage itself from its main opposition, the PO.\textsuperscript{139} The new government which had ran an electoral campaign based on protecting national interests and preserving Polish traditions, formed a governing coalition around the framework of nationalist populism. In terms of policy initiatives, PiS was calling for the strengthening of the executive at the expense of the legislative, the decriminalization of racial activities, and a “new state” based on a moral revolution.\textsuperscript{140} Additionally, the party even started questioning democratic ideals. For example, PiS explicated that it respected democratic norms, yet at the same time it suggested that “some curtailment of

\textsuperscript{139} Vermeersch, 2010: pg142-43.
\textsuperscript{140} Pankowski, 2010: pg154, 161.
freedoms was acceptable and did not necessarily undermine the liberal-democratic minimum."\textsuperscript{141}

By 2007, internal quarrels within the coalition led to the collapse of the PiS government, and effectively the end of the populist backlash. The 2007 elections saw PiS improve its electoral results from 2005 by 5% (from 27% to 32.1%). However, at the same time, PiS had alienated many of its mainstream voters to the winning PO, which was able to receive 41.5% of the vote. The 2007 elections results were therefore historic for two reasons. First, it provided a litmus test for democratic consolidation as the Polish electorate turned their back at the nationalist and authoritarian tendencies of the PiS government. As Pankowski has argued, there is a general agreement among scholars, that the 2005 populist backlash was a response by Polish society to modernization, rather than a permanent feature of Polish democracy.\textsuperscript{142} Second, the election produced the first bipolar results in post-communist Poland as the two largest winning parties (PiS and PO), were able to secure 73.6% of the vote, with the remaining vote going to three other parties. Szczerbiak thus rightly asked whether the 2007 elections represented the further consolidation of the party system along a bipolar divide.\textsuperscript{143}

The 2011 elections seemed to have confirmed Szczerbiak's suspicion, as PiS and PO were again the two major winning parties with 69.1% of the vote. Additionally, the 2011 elections produced perhaps the biggest indication that Polish

\textsuperscript{141} Ibid.: pg173.
\textsuperscript{142} Ibid.: pg169.
democracy had been firmly consolidated as the Polish electorate, for the first time in post-communist Poland reelected the ruling coalition. Polish post-accession performance therefore showed some signs of similarity with the Czech experience. Both states underwent brief periods of instability. However, in neither case was democracy seriously threatened and today both states stand as consolidated democracies.

4. Conclusion

This chapter has utilized Lijphart’s institutional typology to show how European integration affected political competition in pre-accession CEE, and by extension democratic consolidation. The chapter was able to show that under more consensually designed democracies, the negative effects of the pre-accession process could be mitigated through the emergence of eurosceptic parties. The utility of eurosceptic parties in the institutional hypothesis tested by this chapter was to show how under conditions of strict EU conditionality, eurosceptic parties provided not only a sense of legitimacy to an asymmetrical integration process, but at the same time, contribute to political competition by preventing the depoliticization of the integration process itself. It is not necessary that the emergence of eurosceptic parties during the pre-accession process results in better accession terms for a given candidate state. Rather, euroscepticism during pre-accession contributes to democratic consolidation by making even an asymmetrical integration process a learning process.

The findings of this chapter, while novel in the sense that they have not been previously tested under such conditions, are also complimentary and somewhat
correlated with previous research. For example, in one of the earlier attempts to understand the conditions under which international regimes are likely to be effective in promoting human rights, Moravcsik argued that the most important preconditions for compliance with international norms were pre-existing norms in the domestic context that were already supportive of liberal democracy.\footnote{Andrew Moravcsik. "Explaining international human rights regimes: Liberal theory and Western Europe." \textit{European Journal of International Relations} 1.2 (1995): 157-89. Print. pg184.} Similarly, Vachudova’s work that was discussed earlier, reached an analogous conclusion: absent the EU, the Czech Republic and Poland were likely to have followed the same democratization paths. In other words, while the EU did contribute to democratization, we would have expected the two cases to consolidate democracy regardless of the EU. In this respect, this chapter is complementary to previous research.

However, the institutional hypothesis being tested in this study is better equipped in explaining cross-sectional variation in the levels of democracy post-accession. Whereas the Czech Republic and Poland have been able to consolidate democracy post-accession, Hungary and Romania, have experienced democratic regression during the same period. The institutional hypothesis thus provides a novel argument as to how the pre-accession process has contributed to democratic consolidation in the Czech Republic and Poland, while it has hampered democracy in Hungary and Romania. Borzel for example, argues that the top-down nature of EU conditionality did not leave much room for social learning and policy
emulations.\textsuperscript{145} Thus while the EU has been influential in affecting CEE policies, it has not had the same influence in affecting CEE polities and politics.\textsuperscript{146} Interestingly, CEE states, which suffer from lower rates of civil society compared to other post-authoritarian countries, have not been helped in this respect by the integration process. What Agh called earlier the \textit{elitisation} of politics in post-communist CEE as a result of the dominant role of political parties, has only been exacerbated by the integration process.\textsuperscript{147} Goetz has argued that the narrow process of the European integration of CEE due to the EU’s focus on only a small group of political, administrative, and economic elites has diminished social learning and the socialization\textsuperscript{148} of EU norms.\textsuperscript{149} Under such conditions, the author argues, we are more likely to see “shallower europeanization” than in older member states.\textsuperscript{150} Goetz goes on to argue that if we are to understand the Europeanization trajectories of CEE, both, rationalist arguments which emphasize veto players and supporting institutions and constructivist arguments emphasizing social learning and socialization need to be adopted.\textsuperscript{151}

\textsuperscript{145} Borzel in: Attila Agh and Alexandra Ferencz. \textit{Deepening and widening in an enlarged Europe: the impact of the Eastern enlargement. ” Together for Europe” Research Centre of the Hungarian Academy of Sciences, 2006. Print. pg166.}
\textsuperscript{146} Ibid.: pg162.
\textsuperscript{147} Should be noted that Ekiert and Kubik 2014, disagree with the general claim over the weakness of civil society in CEE, and particularly in Poland.
\textsuperscript{148} According to Schimmelfennig, et al., 2006: pg2, Socialization means “a process in which states are induced to adopt the constitutive \textit{norms and rules of an international community} [emphasis added].”
\textsuperscript{150} Ibid.
\textsuperscript{151} Ibid.
Interestingly, if we recall Borzel and Risse’s adaptational pressures argument in response to Europeanization, we see that the facilitating factors to Europeanization were generally supportive under consensually designed Czech Republic and Poland. Borzel and Risse suggested that under rational-choice arguments the absence of veto players and a supportive institutional context is more supportive to Europeanization. However, the Czech and Polish experience proved somewhat contradictory to this argument. While the institutional context was certainly supportive as these two states were already on paths to successful democratic consolidation, the veto players argument fails. The high degree of euroscepticism in terms of political parties suggests that the number of veto players to Europeanization was indeed high in the two cases. Thus under such conditions, we would expect shallow Europeanization. However, when we insert constructivist arguments in this theoretical model, we get a clearer picture. Constructivist arguments emphasize social learning and socialization. Thus when euroscepticism is viewed through the lens of political competition, and in this respect, contributing to social learning and the socialization of EU norms, the constructivist argument comes to complement the rational-choice argument. In other words, if the number of veto players is high, it is not necessarily an impediment to Europeanization as long as their existence contributes to social learning and the socialization of EU norms. Thus to reiterate once more, the pre-accession process has contributed to democratic consolidation in the Czech Republic and Poland, not hampered it. As we will see in the next chapter, the hindering of political competition by the pre-accession process under more majoritarian designs, and the absence of
euroscepticism or dissenting voices to the overriding goal of EU membership had a detrimental affect for democracy post-accession.

On a final note, it is also necessary that we recall the Southern enlargement and the impact the EEC had in contributing to democracy in that region. Chapter 4 was able to conclude that the EEC variable was only indirectly influential in promoting democracy in the region, and therefore acted more as a moderator variable rather than a key independent variable. Furthermore, the EEC variable, due to its indirect nature did not interact with the institutional variable, and therefore could not provide a differentiated affect under differently instituted democracies. The CEE experience on the other hand proves somewhat different. Not only did the EU variable directly influence the domestic context through the pre-accession process and therefore acted as a key independent variable in affecting democracy, but at the same time, it seems to have interacted with the institutional variable to a significant degree. Before this latter point can be established, we must first examine the European integration of democracies with more majoritarian designs.
CHAPTER 6: Hungary and Romania

Chapter 5 was able to show how the consensually designed democracies of Czech Republic and Poland were able to mitigate the negative effects of the pre-accession process through the rise of eurosceptic parties that were largely a feature of their institutional designs. Furthermore, in conclusion, the chapter argued that by incorporating rational choice arguments with constructivist arguments, we could better understand the impact of the pre-accession process of the Eastern enlargement. This chapter examines two other CEE cases with more majoritarian institutional designs—Hungary and Romania. Additionally, these two cases have also become two of the more problematic cases in terms of consolidating democracy in the post-accession period. Thus similar to the previous chapter, this chapter will attempt to better understand the impact of European integration on more majoritarian designed democracies. Yet before we examine that dynamic, it is also important to locate the democratic transitions of Hungary and Romania within the comparative democratization literature.

Linz and Stepan’s typology of political regimes, again, becomes instructive in examining the birth of democracy in the two cases. According to the authors, Hungary went through four distinct phases during its communist period: “totalitarian period from 1948-1953; a reform period which led to the revolution of 1956; a counter communist revolution from 1956-1962; and detotalitarianization
starting from 1962.”¹ In economic terms, the introduction of the New Economic Mechanism in 1968 introduced aspects of the market economy, hence, earning the name of “goulash communism”. Thus by the late 1980s, not only was the Hungarian economy resembling market economics, but at the same time became heavily indebted in foreign debt.² Therefore, it is not surprising that by 1991, Hungary had become the biggest foreign direct investment hub in CEE.³ According to Linz and Stepan, by the mid 1980s, Hungary had become the leading example of a post-totalitarian regime.⁴

While Hungary represents the exemplary case in tracing the evolutionary change of totalitarianism toward post-totalitarianism, Romania provides an exemplary case of another sort. According to Linz and Stepan, Romania’s communist regime is best categorized as sultanistic (the only such regime in CEE).⁵ Such regimes are based less on ideology as are totalitarian and post-totalitarian regimes, and more on individualistic rule. Romania provides a further anomaly within CEE, as it was the only state to break relations with the Soviet Bloc in 1964 in terms of regional economic planning. King has argued that the breakdown in relations allowed Ceausescu to recast the regime in nationalist terms—as the

³ Linz and Stepan, 1996: pg313.
⁴ Ibid.: pg296.
⁵ Ibid.: pg349.
guardian of national identity and sovereignty. Thus in effect, this reorientation in economic planning allowed Romania to create closer ties with Western international institutions such as with the General Agreement on Trade and Tariffs and the International Monetary Fund. Closer economic ties with the West, however, did not necessarily result in political liberalization. Society and political elites remained subservient to the highly repressive and personalistic leadership of Ceausescu. Thus it is unsurprising that in the late 1980s when independent movements against the communist regimes were springing up all over Eastern Europe, only two such movements were found in Romania, compared to sixty in Poland, twenty-seven in Czechoslovakia, and twenty-one in Hungary. Furthermore, Romania was the only CEE state where a dissident publication never appeared during the Ceausescu era. Thus as Linz and Stepan have so eloquently argued, the end of communism in Romania was proclaimed to lie not with the destruction of the executive apparatus of the state, but with the “destruction of sultan himself”.

Comparatively, Hungary and Romania represent two very contrasting experiences with communism. Yet they also contrast well with Polish and Czechoslovakian experiences with communism. Thus, in terms of comparative inquiry, all four CEE cases examined by this study represent different experiences and therefore different communist legacies. Nonetheless, it is the pre-accession process of the Eastern enlargement that is the core focus of this study, in which all

7 Linz and Stepan, 1996: pg352.
8 Ibid.:pg353.
9 Ibid.: pg359.
four cases were judged along the same accession criteria. In order to better understand how the pre-accession process interacted with the democratization of majoritarian designed democracies, this chapter will proceed in the following manner. Section one will examine the collapse of communism and the immediate implications for regime change. Section two will examine the dynamics of the pre-accession process under majoritarian designed democracies, and attempt to discern the interaction of the two processes (European integration and democratization). Section three will examine the post-accession period and the democratic crisis in Hungary and Romania. Finally, section four will conclude the chapter with a brief comparison between the pre-accession experiences of consensual versus majoritarian democracies.

1. The Collapse of Communism

   The collapse of the communist regime in Hungary and the subsequent transition to democracy has warranted comparisons with the Spanish transition. The comparison is largely a due to the nature of regime change in which the incumbent communist party entered into a structured dialogue with the opposition with the intention of negotiating a transition away from communism. However, the Hungarian negotiations were unique because they consisted of two roundtables: one between the communists and the opposition, and the other within the opposition groups themselves (known as the Opposition Roundtable or EKA). EKA brought together nine opposition groups that represented a diverse set of interests, in contrast to those of the communists. In other words, the opposition would first agree among themselves, then afterwards represent their unified position at the
national roundtable. While EKA became an institutionalized political power, as Masat has argued, there was no unity within the opposition as to the new economic system, with some groups even proposing a “third way” which envisioned a different path from that of the West. Thus as Toks has rightly argued, the national roundtable negotiations began as open-ended, with the final result unknown to the participants.

The ultimate outcome of the roundtable negotiations (signed on September 18, 1989) produced a parliamentary system, with a very complicated three-tear electoral system, and a largely unchanged constitution from the 1949 Communist Party Constitution (adopted by Parliament on October 23, 1989). Yet as Szikinger has argued, the constitutional amendments negotiated by the national roundtable were not a deliberate product of institutional engineering, but rather a malleable document intended to moderate fears on both sides. Thus ultimately, the new amendments were neither publicly scrutinized nor debated, which in effect resulted in a legitimately dubious constitution. Nonetheless, Hungary transitioned to democracy in a peaceful manner, regardless of the uncertainty of the initial national roundtable negotiations.

Whereas the Hungarian collapse was negotiated and peaceful, the Romanian collapse was more abrupt and came in the form of a revolution. The Romanian

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11 Ripp in Ibid.; pg4.
12 Toks in Ibid.; pg110.
14 Ibid.
revolution initially commenced in the form of street demonstrations and culminated in violent crackdown of the demonstrations by the security forces. In a matter of days, Bucharest had turned into disarray, ultimately forcing Ceausescu and his wife to flee the capital. Within hours of their departure, Romanian television started broadcasting a message by the newly created National Salvation Front (FSN), which its leaders (communist party bureaucrats) claimed to be a spontaneous emanation of the revolution, with the goal of establishing democracy in the country.\textsuperscript{15}

While revolutions result in complete systemic overhauls, the Romanian revolution has been generally categorized as “captured” or “hijacked” due to the uncertainty of the events that led to the downfall of Ceausescu. For example, there is generally no agreement among academics or within Romanian society as to whether FSN was a genuinely spontaneous organization that emanated in response to the revolution, or if it was an intentionally created organization with the intention of capturing the revolutionary and in affect transferring power from the first echelon of communist elites to the second.\textsuperscript{16} Interestingly enough, the core circle of FSN leaders did indeed consist of communist elites. Gilberg has argued that the values of FSN leaders represented anti-democratic notions, such as emphasis on authoritarianism, distrust of opposition, heavy-handed methods against opposition, as well as the continuation of Ceausescusism through the personnel of state

administrations. Thus as Linz and Stepan have argued, Romania’s transition to democracy did not represent a sociological rupture break with the past, in spite of its revolutionary nature.

Additionally, Romania has also become an ideal case for examining the effects of communist legacy. For example, Fischer has argued that Ceausescu’s repressive nature had all but destroyed political autonomy:

“There was less of a chance after 1989 for any group in society to provide a countervailing force to the dominant political group. In addition, Ceausescu had prevented any individual or group outside the Communist Party from gaining experience in democratic practices and political opposition, and so the political reflex of all Romanians is to result to repression….This has been one of the most discouraging aspects of the situation after Ceausescu: members of the new government often have little or no respect for the opponents, and those in opposition have scorned those in authority [emphasis added].”

Thus as Hall has so eloquently pointed out, the psychological effects of communism appear to be more enduring than the institutional and ideological legacies of communism, which subsequently distort not only the historical past, but at the same time impair the consolidation of democracy.

1.1. Transitions to Democracy

It is perhaps best to start examining the Hungarian transition to democracy from the constitutional perspective, as it is the key document that determines the rules of the game for the newly established democratic system. As was mentioned earlier, the 1989 Hungarian constitution was a carryover from the communist

18 Linz and Stepan, 1996: pg344.
constitution with only minor amendments. Furthermore, under the “new
constitution” amendments were flexible, requiring only a two-thirds qualified
majority. Thus writing as early as 1994, Arato argued that the electoral formula (to
be discussed below) and the constitution’s amending procedure presented potential
dangers for parliamentarianism and constitutional stability, and warned against a
“constitutional dictatorship”. While a major constitutional amendment was
attempted in 1995, the draft was rejected and the 1989 constitution remained
largely unchanged until the Fidesz government adopted a new constitution in 2012.
Szikinger has argued that while the 1989 Hungarian constitution has contributed to
democratic consolidation, it has not reached the level of importance it should have,
due to the fact that political parties have not tried shaping the constitution in a
manner which constraints their behavior according to the Basic Law. Rather the
constitution is adapted to shape the needs of the legislature, which in affect poses
potential dangers for the political environment.

Another important feature of the Hungarian democratic system is the
electoral formula that can best be described as a mixed electoral system. The three-
tear system consists of both, majoritarian formulas as well as proportional formulas
for a total of 386 seats in the national legislature. The first tear consist of 176
single-member districts; the second tear consist of 152 seats distributed through a

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21 Andrew Arato. "Elections, Coalitions, and Constitutionalism in Hungary." 
23 For an examination of the politics of the Hungarian electoral system see: Kenneth
Benoit and John W. Schiemann. "Institutional Choice in New Democracies
proportional formula on a regional level; and the third tear consist of the redistribution of residual seats from the regional level, also through a proportional formula. Because the electoral system was agreed during the roundtable negotiations, it was designed in such a way as to reflect the interests of all sides—the communist who preferred the majoritarian formula and the opposition which preferred proportional representation. Thus the final outcome was a mixed electoral system, which has become highly complicated. Yet, despite its mixed nature, the system has tended to produce highly disproportional results and effectively a two-party system, or rather a system more resembling of a two-party system than a multiparty one. For example, Toka was able to show that even the proportional formulas of the electoral system have tended to favor large parties, and in effect contributing to higher levels of disproportionality and a less fragmented party system.\footnote{Gabor Toka. \textit{The 1990 Elections to the Hungarian National Assembly: Analyses, Documents and Data}. Berlin: Ed. Sigma, 1995. Print. pg63.}

In terms of political competition, the first free elections of 1990 went to the opposition, consisting of three right-wing parties. The elections produced highly disproportional results, as the biggest winner, the Hungarian Democratic Forum, was able to secure 42.5\% of parliamentary seats out of only 24.7\% of the popular vote. By 1994, the successor to the communist party, the Hungarian Socialist Party was able to regain office with 54.1\% of parliamentary seats out of 32.9\% of the popular vote. Szelenyi and Poster have argued that because the 1990 elections occurred in a volatile environment, political parties defined themselves on politics of symbols such as communists versus non-communists, rather than on politics of
interests. Thus by the 1994 elections, the political climate had stabilized, and the socialists were able to appeal to voters on interest-based issues. Interestingly enough, identity politics have continued to play an important role in Hungarian politics even after the 1990 elections. Enyedi has shown that religiosity is an important variable in determining voter preferences in Hungarian elections, but more importantly, political coalitions and collective identities form around cultural issues such as anti-communism, nationalism and religiosity. This type of political competition argues Enyedi, has contributed to the polarization of elites and masses into two camps, which in effect has left no room for a center force. Enyedi attributes this outcome to three factors: the majoritarian electoral system which has amplified polarization, the inability of small parties to gain representation, and the unwillingness of parties to form coalitions with the “other side”.

Yet despite some of these features of Hungarian democracy, such as: 1, the lack of a democratically created constitution; 2, the highly disproportional electoral results; and 3, the polarized political competition, the new system continued to function properly. In fact, Hungary was considered one of the frontrunners in the region’s European integration during the pre-accession period. However, post-accession, all three of these features became instructive variables in explaining the outcomes.

29 Ibid.
Hungary’s democratic crisis. Before examining the impact of the pre-accession process on the Hungarian democratic system, and the implications the pre-accession period had on post-accession democratic performance, we must first examine the Romanian transition to democracy.

Unlike Hungary, which was considered a frontrunner in the transition to democracy, Romania is viewed from the other end of the spectrum—as one of the laggards. Part of the explanation for this lies in the communist legacy as briefly mentioned above. Romania’s first free elections (1990) perhaps provided the biggest indication for the country’s transition to democracy. FSN was able to gain an astonishing 67% of the vote, while the runner-up, a coalition of groups representing ethnic Hungarians, received only 7.2% of the vote. The 1990 elections were telling for the simple reason as it provided an indication of how disorganized and weak political opposition was. Following the 1990 elections, FSN split into a number of smaller parties, and it was this group of new parties that came to dominate the Romanian political scene thereafter. In fact, communist successor parties have been represented in every Romanian government since the transition to democracy.

According to one study, a decade after the transition to democracy, 63% of Romanian political elites held positions under the Communist Party prior to 1989.30

An important decision in Romania’s early transition to democracy came in March of 1990, when the Provisional Council for National Unity agreed to establish a semi-presidential system, and a bicameral legislature with symmetrical powers. The new system was to resemble the French semi-presidential structure, however,

in practice, due to a number of factors such as Romania’s lack of constitutional culture, and the ambiguous language of the constitution itself provided for an unstable political environment. For example, Gallagher and Andrievici argue that the 1991 Constitution granted the president all the prestige of being the leader of the country, however, without any of the responsibilities for managing the day-to-day activities of governance. Furthermore, the Prime Minister (PM) is directly selected by the President himself, and the President is under no obligation to select the leader of the winning party.31 Although the PM must win the confidence of the legislature, the President’s arbitrary power to select a PM of his own choosing has often come in conflict with the legislature when the President has been unwilling to select as PM the leader of the winning party.

The amended 2003 Constitution attempted to address some of these problematic features of the 1991 Constitution. However, the new basic law still placed the President in pole position, while Parliament, which is supposed to be the supreme body of the Romanian people, is subordinated to third-string importance. Gallagher and Andrievici argue that due to the importance of transitional reforms and the complicated parliamentary procedures of the bicameral legislature, emergency ordinances which are to be used by government only under extreme circumstances have become the norm rather than the exception, and in effect have

hampered the development of a political culture based on compromise.\footnote{Ibid.} Thus in effect, the powers of Parliament have been practically circumvented.

In terms of political competition, the Romanian electorate is highly volatile with electoral volatility standing at 53\% for the 1990-2000 time-period.\footnote{Scott Mainwaring and Edurne Zoco. "Political Sequences and the Stabilization of Interparty Competition Electoral Volatility in Old and New Democracies." \textit{Party Politics} 13.2 (2007): 155-78. Print. pg159.} Research has also shown that the Romanian party system remains un-institutionalized along ideological lines due to low programmatic coherence, as even major adversarial parties offer similar electoral promises.\footnote{Clara Volintiru. "The Institutionalisation of the Romanian Party System." \textit{Sfera Politicii} 172 (2012): 134-46. Print.p136-7., Grecu in: Paul G. Lewis and Zdenka Mansfeldová. \textit{The European Union and party politics in Central and Eastern Europe.} Palgrave Macmillan, 2006. Print. pg212.} Looking at the usual indicators of democratic consolidation such as voter volatility, institutionalization of party systems, and respect for the rules of the game, it is clear that even by the late 1990s, Romania lagged far behind its CEE counterparts (Bulgaria being the exception). It is precisely because of Romania’s difficulty with its transition to democracy that it has becomes such an ideal case for examining the legacy of communism. The repressive nature of the communist regime, the unceremonious transition to democracy, and the problematic constitutional setup of the new system all culminated into a democratic system that can best be describe as what Karl and Schmitter call a democracy with “birth defects”. Thus as Schmitter has argued, it is “useful to consider the possibility of "birth defects" in the democratization process that are
due, not just to structural features long present in the society, but also to conjunctural circumstances that surround the moment of regime change itself.”

2. The Pre-Accession Process

Our two cases thus represented two different experiences not only with communism but also with respect to the early transition period. By the time the EU started exercising active leverage over the two candidates, Hungary was perceived as a frontrunner and therefore invited to begin negotiation in 1997, while Romania was judged to be lagging behind, especially in meeting the economic criteria for membership and was not invited to begin negotiations until 1999. The mechanics of the pre-accession process and how the process itself affected political competition were examined and analyzed on Chapter 5. Thus there is no need to reiterate once more. Nonetheless, there are a few noteworthy theoretical points to emphasize as this chapter transitions into examining how the pre-accession process affected political competition under majoritarian democracies.

The common misperception that Europeanization and transitions to democracy are part of the same process, was briefly discussed on Chapter 5. Bideleux, however, goes a step further by arguing that the two processes actually pull in opposite directions. Bideleux argues that the European Union is a liberal project, rather than a democratic one. Thus, it is through liberal theory rather than democratic theory that the EU is best understood. Bideleux then goes on to argue that because much of domestic legislation now originates from the EU, it makes no

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sense to speak of national arenas as the main locus of power, and makes even less sense to suggest that Europeanization advances democratization.36

In terms of the mechanics of this relationship, the literature remains ambiguous and spotty, yet a few discernable patterns have emerged. Knill and Lehmkuhl for example have shown that there are three mechanics to Europeanization: 1, positive integration, which is related to specific law making from the EU and downloaded directly by the member states; 2, negative integration which is not related to specific EU policies, but implicitly affects the domestic opportunity structure due to changes at the EU-level; and 3, framing integration, which similar to negative integration, is not driven by explicit EU policy, but rather alters the beliefs and expectations of domestic actors.37 Through a close examination of a number of policy areas, Knill and Lehmkuhl are able to show that while domestic institutions do matter in determining adaption patterns, the institutional variable becomes less influential in explaining domestic change driven by negative or framing integration. The authors conclude that only by interacting the institutional variable with an actor-centered perspective can we better understand the domestic impact of negative and framing integration.

Important to note that, with respect to the pre-accession process of the Eastern enlargement, we can see all three mechanics at work. The democratic

criteria, which is not directly related to any EU legislation applies more appropriately to Knill and Lehmkuhl’s concept of framing integration. Interestingly enough, the authors suggest that only by incorporating actor-centered perspectives can we better understand the Europeanization affect on a non-legislative issues such as democratization. It is in this respect that Lijphart’s institutional typology becomes useful in assessing the impact of European integration. Not only because it is useful in distinguishing majoritarian from consensual designed democracies, but at the same time allows for incorporating actor-centered perspectives into the theoretical model as political competition differs under the two sets of institutional designs.

2.1. Pre-accession and political competition under majoritarian democracies

Lets briefly examine the institutional makeup of our two cases. Looking at table 6.1 we see that along all five micro-institutional variables of Lijphart’s typology, Hungary falls more on the majoritarian end. It has a low number of effective parties compared to the CEE average; cabinet durability is 3.5 years, which is significantly higher than the CEE average, and the next highest of 2.7 years for the Czech Republic; and electoral disproportionality is over 10%—highest among all CEE states. The corporatism variable is lower than the CEE average, which represents most consensual designs. However, as we will see, this variable has also been the least influential when it interacts with the pre-accession process. Finally, the cabinet formation variable stands as the odd one out, as it is showing that there has never been a single-party cabinet or minimal winning coalition in post-communist Hungary. While this is actually true, it is slightly misleading as the 1994-
1998 Socialist government (MSZP) opted for an oversize coalition, rather than a single-party cabinet which it was in position to form due to its 54.1% of seats it held in the national parliament. Nonetheless, when all five variables are averaged out into one composite variable, Hungary represents the majoritarian end within the democracies of CEE.

<table>
<thead>
<tr>
<th>Effective Number of Parties*</th>
<th>Cabinet Formation **</th>
<th>Cabinet Durability ***</th>
<th>Disproportionality ****</th>
<th>Corporatism *****</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hungary</strong></td>
<td>3.33</td>
<td>0</td>
<td>3.5</td>
<td>10.34</td>
</tr>
<tr>
<td><strong>Romania</strong></td>
<td>3.57</td>
<td>29.4</td>
<td>1.46</td>
<td>5.67</td>
</tr>
<tr>
<td><strong>CEE Average</strong></td>
<td>4.38</td>
<td>33.7</td>
<td>1.92</td>
<td>6.94</td>
</tr>
</tbody>
</table>

*This variable is calculated by squaring the seat percentages of each party, summing them and taking the reciprocal of this sum. Thus the higher number means more consensual.

**This variable is expressed by averaging out the percentage of time a country is governed either by minimal winning coalitions or by single-party cabinets. These two formations represent majoritarian design because of the limited number of parties represented in a cabinet. Thus a higher percentage means more majoritarian.

***This variable is expressed in the average number of years a cabinet lasts before dissolution.

****This variable is expressed in the average percentage of electoral disproportionality (% of votes received vs % of seats received in the legislature). Thus the higher value means more majoritarian.

*****This variable measures the degree of concentration of interests groups and their ability to reach tripartite pacts between government, labor unions, and employers' organizations. Thus higher values are related to better-organized efforts and consensually designed democracies.


Romania on the other hand represents a mixture of institutional designs. While electoral disproportionality, cabinet durability and cabinet formation stand as more consensually designed, as well as below the CEE average (meaning more consensual), corporatism and the effective number of parties on the other hand stand as more majoritarian. When all five variables are averaged out into one composite variable, Romania comes out having more consensually designed
institutions than majoritarian ones. This appears to be problematic at first site, as this chapter is attempting to understand the impact of the pre-accession process on majoritarian institutional designs. Yet if we recall some of the earlier comments on Romania’s transition to democracy, such as the lack of ideological differences between political parties, it is not hard to see that some of the more consensually designed features of Romania’s democracy are overshadowed by the lack of ideological divisions between mainstream parties. Thus in affect, in spite of a somewhat fragmented party system, in practice, Romanian democracy resembles majoritarian designs as there is no ideological separation among mainstream parties (see important footnote). Romania’s party system is best captured by Katz and Mair’s concept of “cartel party”, which will be discussed below. Yet for the mean time, we must provide a theoretical model as to how the pre-accession process affected political competition under majoritarian institutional designs.

It is best to begin this discussion by emphasizing that according to Dahl, under a two-party system, the opposition has a “monopoly of opposition”. According to Dahl, while a two-party system can be ideal under certain circumstances, in reality, such ideal circumstances are generally absent, and consequently lead to instability. More importantly, however, in reference to this chapter, according to Dahl, “the typical solution of democracies is not concentration

38 It is also worth highlighting that if we look at the defining characteristic of majoritarian democracies—the low number of effective parliamentary parties—the Romanian average is only 3.57. This figure is important as in contrast to the CEE average (4.38), it falls closer on the majoritarian end as opposed to the consensual end.
but dispersion, not strict competition but bargaining and coalescent strategies." It is in this respect, that a comparison with consensually designed democracies that the role of the pre-accession process becomes useful in attempting to understand how political competition differed under these two types of instituted democracies. In comparison to consensual democracies, this chapter hypothesizes that the negative effects of the pre-accession process will be more pronounced under majoritarian democracies. Additionally, the moderator variable of euroscepticism, which was able to mitigate the negative effects of the pre-accession process under consensual democracies, was generally weaker under more majoritarian democracies.

These effects are expected to be more pronounced under majoritarian democracies for two reasons. First, as Dahl argues, under more majoritarian designs, the opposition holds a “monopoly of opposition”. Thus by effectively eliminating opposing views and interests, due to the overriding goal and demands of membership, political competition under such systems is reduced to technocratic politics, where the key dimension of competition between the two main parties is not alternative interests, but technocratic competition over who's the best manager of integration. Second, as we will see, under such systems, coincidentally or as a result of institutional design, eurosceptic parties did not emerge in opposition to European integration. It is thus, this combination of factors: the asymmetrical integration process; the bureaucratic nature of accession negotiations; the majoritarian style politics of such systems; and the lack of opposition to European

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integration that in combination proved detrimental to the consolidation of democracy.

If we recall the Czech experience with pre-accession, the main opposition and eurosceptic ODS, continually emphasized that the quality of negotiations should override the speed of negotiations and the expediency of joining the EU as early as possible. The Hungarian experience on the other hand, represents the opposite approach. The words of one Hungarian official best capture this approach:

“Ultimately, accession on any terms is better than no accession.”

This view toward European integration also reflected a democratic political culture that can best be described as misconceived. According to an official in the Hungarian Foreign Affairs Committee, Hungarian parties needed to act on consensual bases, as this was the manner in which advanced democracies behaved.

Furthermore, Hungary needed to represent a unified approach toward European integration, otherwise it risked hurting its own interests and image.

This type of disposition toward politics runs counter to what was discussed on Chapter 5 and the experience of Poland and the Czech Republic with the pre-accession process. As Rustow argued, consensus was the end-product of a democratic system, not its prerequisite. Furthermore, Hungarian views toward European integration capture clearly what Dahl called an “irrational consensus.” Thus in terms of a deeply understood democratic political

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43 Ibid.
culture, Hungary exhibited signs of fragility, undoubtedly due to its infant democracy.

These views were also reflected in the adoption of the *acquis*. One newspaper report shows that during the June 1999 Parliamentary session, out of 180 laws that were passed, 152 were passed without any debate because they were part of the pre-accession process.\(^4^4\) Furthermore, European integration as an issue was not even raised during the first three national elections post-1989.\(^4^5\) Andor argues that the reason for Hungary’s approach toward European integration is based on the transition to democracy itself, and the inability of the transition to deliver its promised results. According to Andor, Hungarian’s have placed heavy expectations on European integration, and the inability of EU membership to alleviate the pains of the transition to democracy, could prove detrimental for the consolidation of democracy post-accession.\(^4^6\) Writing in 2000, Andor’s analysis seem almost prophetic today as it is precisely the combination of the 2008 global economic crisis and the economic effects of EU membership that have launched Fidesz into a position to significantly reverse much of the democratic progress that were made in the last 20 years.

Romanian views toward European integration also show a discernable pattern similar to that of Hungary. As was discussed in the previous section, Romania’s transition to democracy has been fraught with difficulties, largely a consequence of its communist legacy. Thus, whereas Hungary’s pre-accession

\(^{44}\) Schimmelfennig and Sedelmeier in: Schimmelfennig and Sedelmeier, 2005: pg2.
\(^{45}\) Williams, 2001: pg30.
\(^{46}\) Andor. pg163.
period was hailed as exemplary due to its pacey adoption of the *acquis* and acquiescence to EU demands, Romania provided the antithesis. A common perception among scholars is that Romania was not ready for EU membership, not in 2007 when it officially joined, and not in 1999 when it was invited to begin negotiations. The decision to invite Romania (and Bulgaria) to begin accession negotiations was perhaps more politically motivated than any other case. The turbulent times of the Balkans in the late 1990s, raised fears within the EU that the Kosovo War could escalate and destabilize the entire region. Thus, there was no ambiguity as to why the two Balkan states were invited to begin accession negotiations.

The EU’s decision to overlook Romania’s shortcomings in political as well as economic terms is perhaps the biggest indication that post-accession we should not have expected immediate democratic consolidation, but rather “more of the same.” The EU’s opinion on the Romanian application for membership clearly reflects the laxer conditions the EU was willing to apply to the country, in spite of Romania’s Freedom House democracy score ranking as the third lowest in CEE as of 1999 (after Slovakia and Bulgaria). According to the application opinion, “Romania’s new institutions were democratic and their stability seemed guaranteed [emphasis added].”

However, unlike Slovakia who’s democracy score improved considerably from 1999 until accession, Romania’s democracy score remained relatively stable and in fact started deteriorating for a brief period before accession in 2007. Thus, it was not until the projected accession date of 2007 started approaching that the EU

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47 Commission Opinion on Romania’s Application for Membership of the European Union: General Evaluation Section.
started being more critical of Romania’s democratic shortcomings. For example, the 2002 Accession Partnership with Romania was the first time the Accession Partnership outlined Romania’s failure to satisfy the political criteria in detail.48

Gallagher has argued that the EU’s unwillingness and inability to effectively address Romania’s problems, allowed the domestic elites to manipulate the EU into thinking that they were genuinely interested in reformed change. Thus Gallagher argues that instead of the Europeanization of Romania, we saw the Euro-Balkanism of Romania as political elites absorbed EU laws and values only at the superficial level, while the same pattern of power-driven elite behavior was apparent under the surface.49 The EU’s own approach toward the pre-accession process only exacerbated this problem and even displayed a degree of hypocrisy. For example, the 2003 Regular Report criticized the Romanian government’s extensive use of emergency ordinances, citing that such procedures reduce the “transparency of the legislative process”.50 On the other hand, the same report critically cited that the lack of parliamentary resources has slowed down the speedy adoption of the acquis.51 While the report also referenced the need to scrutinize the adoption of the acquis, it is hard to imagine how scrutinizing the parliament of a candidate state could possibly be, having to adopt all 80,000 pages of the acquis without any input of their own. Interestingly enough, during this same period (2000-2004), the

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48 Romania’s 2002 Accession for Partnership: pg84.
50 Romania Regular Report 2003, pg16.
51 Ibid.: pg14.
Romanian parliament adopted an astonishing 2,803 pieces of legislation, more than the three previous legislatures combined.\(^52\)

The speedy adoption of the *acquis* in both Hungary and Romania, however, was made possible because of the absence of euroscepticism in the two states during the pre-accession period. The various definitions of euroscepticism were provided on chapter 5. Thus based on Taggart and Szczerbiak’s conceptualization of hard and soft euroscepticism, the authors categorize Hungary as the most soft eurosceptic candidate based on the 1998 parliamentary elections; while ranking second after the Czech Republic in hard euroscepticism.\(^53\) However, based on Kopecky and Mudde’s two-dimensional categorization of euroscepticism, Hungary had the most euroenthusiastic parties as of 1998.\(^54\) This is clearly an indication of the difficulty in conceptualizing euroscepticism. Yet when the particular profiles of Hungarian parties are examined in detail, we see that Kopecky and Mudde’s categorization of Hungarian parties more accurately depicts Hungarian views toward European integration. For example, Taggart and Szczerbiak categorize Fidesz (the ruling party from 1998-2002, and the only eurosceptic party to gain

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\(^52\) Cristina Chiva. "The institutionalisation of post-Communist parliaments: Hungary and Romania in comparative perspective." *Parliamentary Affairs* 60.2 (2007): 187-211. Print. pg196. While it is hard to distinguish whether this amount of legislation was specifically related to the adoption of the *acquis* or as a result of the transition to democracy, it is still noteworthy that the amount of legislation which coincided with the final round of negotiations before EU accession was associated with a huge spike in legislative output.


parliamentary representation in the 1998 elections) as soft eurosceptic. Enyedi, however, shows that there was nothing in the party’s program or in its deeds to warrant it a eurosceptic party.\textsuperscript{55} The other parties categorized as eurosceptic by Taggart and Szczerbiak: the Party of Hungarian Justice and Life (MIEP); the Hungarian Worker’s Party (MP); and the Independent Smallholders Party (FKGP), all failed to gain parliamentary representation in the 2002 elections (the last elections before EU accession). Batory even argues that by the 2002 elections, even hard eurosceptic MIEP and MP were forced to adopt softer eurosceptic tones in order to secure parliamentary representation.\textsuperscript{56}

Hungarian views toward integration were also driven by a six-party consensus, in which a group of six parties had formally agreed to support fast EU accession. Thus if we look at table 6.2, all four parties that gained parliamentary representation in 2002 were categorized as euroenthusiastic by Kopecky and Mudde, while only Fidesz was categorized as soft eurosceptic by Taggart and Szczerbiak. The six-party consensus also had an effect on political competition in the 2002 elections. For example, the hard eurosceptic Justice and Life party, after failing to get past the first round of elections, called on its supporters to vote for Fidesz. However, Fidesz never reciprocated, and rather appeared as if it was campaigning to win over Law and Justice supporters.\textsuperscript{57} Thus as Mikulova has argued, European integration became the key issue through which parties competed

\textsuperscript{55} Enyedi in: Lewis and Mansfeldova, 2006: pg68.
\textsuperscript{57} Ibid.: pg273.
with one another. As one EU official is quoted as saying in reference to political competition in pre-accession Hungary, “what we observed from Brussels was a syndrome where the parties in opposition wanted to argue that they were better at delivering EU membership.” This permissive consensus toward European integration was also reflected at the mass level. According to 2002 Eurobarometer data, 77% of Hungarians said they would vote ‘Yes’ on an accession referendum (the highest level of support among the 2004 entrants). However, on referendum day, only 46% of the electorate showed up to vote (the lowest among the 2004 entrants), with majority of individuals citing lack of interest or the inevitability of the results for the low turnout rates.

Table 6.2 (2002 Hungarian Parliamentary Elections [% of total seats])

<table>
<thead>
<tr>
<th>Party</th>
<th>Taggart and Szczerbiak</th>
<th>Kopecky and Mudde</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Soft Eurosceptic</td>
<td>Hard Eurosceptic</td>
</tr>
<tr>
<td>MSZP 46.01%</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Fidesz 42.5%</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>MDF 6.20%</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>SZDSZ 5.20%</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Total vote to eurosceptic parties</td>
<td>42.5%</td>
<td>0%</td>
</tr>
</tbody>
</table>

59 Ibid.
For Romania, European integration was a non-issue as far as distinguishing party support is concerned. In terms of eurosceptic parties, looking at the 2000 and 2004 elections (see Table 6.3), the only party that could be categorized as even soft eurosceptic was the nationalist Greater Romania Party (PRM). European integration remained a key priority for all parties, as similar to the Hungarian six-party consensus, a group of 16 Romanian political parties signed a Medium-Term Economic Strategy for the purpose of fulfilling the pre-accession economic criteria. According to Papadimitriou and Phinnemore, there was a clear understanding among political parties that no one could gain by adopting anti-EU rhetoric.62 Grecu even goes as far as to argue that European integration had become a valance issue in Romanian politics: that is, a party’s position toward European integration was based not on each individual party’s own ideological profile, but rather in reference to the position of other parties.63 Thus, when looking at the salience of EU issues or policy position toward European integration, all major parties rank highly supportive of integration.64 Even the nationalistic PRM, scored an 11 in terms of support for integration on a scale of 1 to 20 in which 20 indicated strong support. Albeit, after 2002 PRM became less of an attractive coalition partner due to its nationalistic and anti-Semitic stances. 65

64 Ibid.: pg217.
65 Ibid.: pg218. The other Romanian parliamentary parties all scored very highly in support of EU membership according to an expert survey conducted in the 2002-2004 time-period: PD scored and 18.5; PSD (PDSR+PSDR) a 17.4; PUR a 16.4; PNL a 19%; UDMR a 18.6%.
It is unsurprising, however, that no dissenting voices toward European integration appeared in the Romanian political scene. Romania suffers from chronically high rates of corruption, the public generally believes that politicians are above the law; and public support for European integration is around 85% (considerably higher than the CEE average). Under these conditions, it is hard to imagine a scenario where the adoption of anti-EU rhetoric would have paid much dividend, even to nationalist parties such as PRM. Thus, in terms of political competition, similar to the Hungarian experience, European integration had been shaded by a permissive consensus, in which the implications of membership were overlooked, while accession itself was painted in “rosy colors”, to borrow a phrase

Table 6.3 (2000 and 2004 Romanian Parliamentary Elections—Chamber of Deputies [% of total seats])

<table>
<thead>
<tr>
<th></th>
<th>Taggart and Szczepanik 2000 Elections</th>
<th>Taggart and Szczepanik 2004 Elections</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Soft Eurosceptic</td>
<td>Hard Eurosceptic</td>
</tr>
<tr>
<td>PD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PDSR/PSD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PSDR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PUR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PNL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRM</td>
<td>X (24.3%)</td>
<td></td>
</tr>
<tr>
<td>UDMR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minorities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total vote to eurosceptic parties</td>
<td>24.3%</td>
<td>0%</td>
</tr>
</tbody>
</table>


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67 Papadimitriou and Phinnemore, 2008: pg76.
from Vaclav Klaus. As we will see below, post-accession, many of the domestic issues that threatened the consolidation of democracy in our two cases, such as the legitimately dubious constitution of post-communist Hungary, the dominant and polarizing socio-cultural dimension of Hungarian political competition, the communist legacy in the Romanian transition and its unstable semi-presidential structure all became salient once the goal of EU membership was achieved. In other words, European integration disguised domestic issues related to the transition to democracy in Hungary and Romania, not simply by overshadowing them by the demands of the pre-accession process, but rather by displacing them altogether under the guise of European integration. In the following section, I examine the mechanical effects of the pre-accession process and how the integration process displaced domestic issues.

2.2. The effects of the pre-accession process

In this section I will attempt to provide a theoretical argument as to how the pre-accession process under majoritarian institutional designs, accompanied by the absence of euroscepticism, contributed to the emergence of what Katz and Mair have called the cartel party, and how the pre-accession party cartel in effect proved detrimental to the consolidation of democracy. In this respect, it is important that the concept of cartel party is discussed at some length. According to Katz and Mair there has been an evolutionary change in the relationship between parties, state and civil society, and that in western democracies, as of recent times, there has been a
greater tendency for a closer symbiosis between the three.\textsuperscript{68} Whereas traditionally, parties acted as brokers between civil society and the state, the emerging symbiosis between the three has created a cartel party in which there is a deliberate collusion between major parties for state resources. As a result, the party has become part of the state, and in effect, political competition is reduced to competition for state resources rather than alternative policies. This form of inter-party collusion is more common under consensually designed democracies where there is a tradition of inter-party cooperation, and less so under majoritarian democracies such as the UK where there is a tradition of adversary politics. The implication of the cartel party for democracy according to the authors is that it has prevented elections from performing their feedback function as inter-party collusion has allowed for only minimal dissent. This effect is only exacerbated if the major interest groups have been incorporated into the cartel party.

It is rather interesting to recognize how well the concept of the cartel party applies to the dynamic of the pre-accession process. As was discussed on chapter 5, the overriding demands for the adoption of the \textit{acquis} resulted in hollowing out political competition. This effect, however, was mitigated by the rise of eurosceptic parties in consensually designed Poland and the Czech Republic. Under majoritarian designs, on the other hand, the lack of euroscepticism did not provide for the same mitigating effect to which the permissive consensus over European integration could be questioned and debated. Thus in effect, the politics of European integration were synonymous with a political pact. Furthermore, under

more majoritarian designs, the preponderance of power that the ruling party has over its coalition partner and the opposition, provided a framework through which the development of a democratic political culture was hampered by the political pact over European integration. In order to support this latter point, we must delve into some of the literature on pact-making.

Pact-making has received considerable attention in the literature because there is disagreement as to whether it is detrimental or beneficial to the consolidation of democracy. As we saw on Chapter 4, the pacted Spanish transition was one of the major factors that contributed to the consolidation of democracy. However, in a number of other cases, pact-making has been argued to have prevented the consolidation of democracy. For example, Hagopian has argued that pact-making in Brazil did not result in the deepening or broadening of democracy, partly because the country suffered from weak institutions.69 Similarly, Encarnacion has argued that pact-making in Venezuela which was originally thought to have contributed in securing the country's transition to democracy, has subsequently prevented the consolidation of democracy.70 The mechanics of this relationship are explained through the nature of pact-making itself. Because pacts take place at a secretive elite level, they are conducted at the expense of a more deliberative process of policy-making. Karl and Schmitter have even called pact-making anti-democratic because pacts “seek to create a deliberate socioeconomic

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and political contract that demobilizes emerging mass actors while delineating the extent to which all actors can participate or wield power in the future.” 71

The effects of pact-making can therefore result in what Karl has called a “frozen” democracy due to the inability of social forces in determining the transformation of society in a way that represents societal interests. 72 Similarly, Hagopian argues that “Pacts that preclude socioeconomic reform undermine democracy, not by neglecting to enact redistributive policies, but by removing issues on which ordinary citizens may wish to express preferences from the arena of legitimate discussion.” 73 In a comparative analysis of a number of important political pacts, Encarnacion shows that the difference between the successful pacts of the Spanish transition and the unsuccessful Latin American pacts has been the extent to which ideologically diverse forces were involved in the making of the pact. 74 For example, whereas the Spanish pacts incorporated both, left-wing and right-wing forces, in Latin America the pacts deliberately excluded left-wing forces. Thus, according to Encarnacion, pact-making does not necessarily result in a frozen democracy if all societal forces are incorporated in the formulation of the pact. 75

Interestingly enough, the permissive consensus over European integration in Hungary and Romania, in practice, was equivalent to a political pact. Parties competed over policy implementation rather than policy formation since the

73 Hagopian, 1990: pg153.
75 Ibid.: pg199-200.
policies themselves came from the EU. At the same time, due to the lack of eurosceptic parties, discussion over the implications of integration were non-existent. In this respect, the pre-accession process impeded the important concept of political learning in the democratic policy-making process. This impediment, was more damaging under majoritarian systems because it reinforced the tendency of antagonistic politics between incumbents and opposition. In other words, the pre-accession process prevented inter-elite and inter-party cooperation due to the simple fact that a permissive consensus had shaded the ultimate goal of EU membership. The pre-accession process therefore prevented political parties from performing their most essential function—that of transmitting societal interests from society to state. Thus in effect, the pre-accession process allowed the incumbents to govern through an irrational consensus, at the total expense of the opposition. Consequently, instead of parties making demands to the state on behalf of particular interests, parties found themselves making demands to the state on behalf of the EU, while groups of civil society remained outside the policy-making process.

Under consensual systems, however, the cooperative model of politics was not impeded by the cartel party of the pre-accession process but in fact reinforced through cooperation over the adoption of the acquis. Euroscepticism under such system thus further reinforced the cooperative mode through the deliberate legislative process, which allowed dissenting voices to express opposition to European integration. While the pre-accession process fostered the cartel party under both institutional designs, there is a very important difference between the
two. Consensual democracies function based on inter-party cooperation and bargaining, while under majoritarian democracies, the incumbents often govern alone or at a greater degree of freedom than under multi-party cabinets. Thus, under the conditions of the pre-accession process, there is a greater likelihood that under majoritarian democracies, combined with the absence of dissenting voices over integration, that the pattern of antagonistic politics would take hold more firmly, before a democratic political culture is firmly established.

Katz and Mair argued that the cartel party model is only furthered by incorporating interest groups under its umbrella. Interestingly enough, the pre-accession process had precisely that effect. Examining the impact of EU enlargement on social policy in Hungary and Poland, Sissenich concludes that despite the EU spending the largest amount of funding on empowering non-state actors than in any other enlargement, the dynamics of the pre-accession process did not empower socioeconomic interest organizations.76 Similarly, Grosse shows through two case studies (Poland and Estonia), that European integration promoted the reinforcement of tripartite institutions, however, in practice, the adoption of the acquis directly circumvented these institutions: first by restricting the policy space, and second, by the sheer speed of the accession process.77 In cases where the pre-accession process did empower civil society, it only acted to reinforce what was being introduced domestically by the EU. For example, in a detailed case study of

Romania’s environmental movement during the pre-accession period, Parau shows that civil society became empowered only when it was able to constrain the executive that was in anticipation of accession.\textsuperscript{78} Similarly, Sudbery shows that Polish NGOs were able to partake in the pre-accession process only to the extent that they advocated the adoption of EU legislation.\textsuperscript{79}

This combination of factors: the absence of societal input in the adoption of the \textit{acquis}, the lack of eurosceptic parties, and the permissive consensus over European integration all combined to, in effect foment a cartel party in both Hungary and Romania. The cartel party, however, is only detrimental to the consolidation of democracy because Hungary and Romania had not yet become consolidated democracies. They were in fact democracies in transition, albeit, in the latter phases of transition (particularly Hungary). Thus as Sissenich argues, the pre-accession process is likely to have reinforced a top-down style of policy-making at a crucial moment when CEE states were seeking to consolidate democracy.\textsuperscript{80} This same concern is also echoed by Pridham, who has argued that the top-down approach to the Eastern enlargement does not always favor bottom-up developments such as political participation, which is an essential feature of democratic consolidation.\textsuperscript{81} The top-down nature of policy-making and the

\textsuperscript{80} Sissenich, 2007: pg183.
implications this had on the consolidation of democracy is intimately linked with a democratic political culture, which now this chapter turns to.

Political culture has become an instructive independent variable in explain cross-section variation in the consolidation of democracy. Pennock goes as far as to argue that not only is political culture a necessary condition for democracy, but that political culture may well comprise a sufficient condition. Nonetheless, due to conceptual difficulties, Elkins and Simeon argue that only in conjunction with other factors such as institutional and structural variables, can we better understand how political culture effects democracy. Similarly, Pennock argues that “cause and effect relations may operate over only a limited portion of the total span of variation.” In other words, structural factors may only explain the partial development of democracy, while political culture may explain the remaining portion. It is in this sense that I incorporate political culture as an explanatory variable in this study. That is, by incorporating the effects of the pre-accession process on the institutional differences between majoritarian and consensual democracies, this study is attempting to show how this affected political culture. Thus political culture is initially examined as a dependent variable to show how the pre-accession process affected its development; while only subsequently is political culture incorporated as an independent variable to explain post-accession variation.

This chapter has already theorized and explored empirically how the pre-accession process affected political completion under differently instituted

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83 Elkins and Simeon, 1979: pg143.
84 Pennock, 1979: pg222.
democracies. Yet the question being raised in reference to political culture asks:

Why have the effects on political competition resulted in hampering the development of a democratic political culture under majoritarian democracies, while the negative effect has been mitigated under consensual democracies? The answer to this question has already been partially answered. We have seen how under consensual democracies there exists a necessary institutional environment where compromise and cooperation are the natural course of policy-making. Furthermore, the rise of eurosceptic parties served to mitigate the negative effects of the pre-accession process by allowing for debate to take place over the implications of membership. Additionally, those states where euroscepticism was experienced at the highest degree also received better accession terms. In conjunction, these factors did not prove detrimental to a democratic political culture, in spite of the top-down nature of the pre-accession process. Thus post-accession, and with the end of accession conditionality, consensual democracies did not confront a drastically different policy-making environment, as the necessity for compromise and cooperation was there before the onset of the pre-accession process, remained roughly similar during pre-accession as a result of eurosceptic parties, and continued under the same institutional environment post-accession.

Under majoritarian democracies on the other hand, the pre-accession process appears to have distorted the institutional environment. Under such systems, the necessity for compromise and cooperation is less pronounced due to the lower number of effective parliamentary parties. Thus the governing party or coalition of parties is able to govern with minimal input from the opposition. The
onset of the pre-accession process, however, changed the institutional environment from one of antagonism between incumbents and opposition, to one of permissive consensus due to the overriding goal of EU membership. The lack of euroscepticism in Hungary and Romania thus only amplified this effect (see Table 6.2 and 6.3). It is in this respect that the pre-accession process fomented the cartel party in our two cases. By reducing political competition to technocratic competition over the adoption of the acquis, European integration created an institutional environment seemingly similar to consensual democracies under majoritarian designs. This is the mechanism through which the pre-accession process distorted the institutional environment of majoritarian democracies. Thus post-accession, with the end of conditionality, majoritarian democracies were reintroduced to majoritarian-style policy-making, which was suppressed during the pre-accession period. However, the pre-accession period resulted in not only a temporal interruption in the transition period, but also in preventing political learning in the democratic policy-making process. In other words, while the pre-accession process had the effect of creating a permissive consensus over integration, paradoxically, it reinforced the antagonistic tendency of majoritarian systems by not creating an environment where debate over the adoption of the acquis was possible. Thus when viewing the pre-accession period as an important learning period for democracies in transition, the period itself hampered the development of a democratic political culture by not providing an environment for democratic practices to take place.

2.3. Summarizing the pre-accession period
As we saw on chapter 5, Poland and the Czech Republic were able to experience social learning during the pre-accession process due to their institutional makeups as well as the rise of eurosceptic parties. For majoritarian Hungary and Romania on the other hand, no social learning took place under the pre-accession period. The dynamic of social learning was prevented on three fronts. First, the asymmetrical relationship of the pre-accession process meant that from the very start, European integration was going to have a “freezing” effect in the policy space, as the adoption of the acquis was unconditional. While this effect was universal across all ten CEE cases, it is in conjunction with other variables that the asymmetry of the Eastern enlargement became detrimental to political learning. Second, the absence of euroscepticism meant that the permissive consensus over European integration did not allow for policy debates concerning the implications of membership. This affect was clearly more apparent on Hungary and Romania compared to Poland and the Czech Republic. Finally, by distorting the institutional environment of majoritarian democracies, the pre-accession process fomented the cartel party under more majoritarian designs. The cartel party thus proved detrimental to the consolidation of democracy by reinforcing the antagonistic politics of such systems before the firm establishment of a democratic political culture. As we will see below, in the post-accession period this three-fold effect on political learning becomes apparent, as the lack of a democratic political culture clearly explains the democratic crisis of post-accession Hungary and Romania.

3. Post-Accession Democratic Crisis
Hungary’s post-accession democratic crisis was largely unseen. Yet in retrospect, one can argue that the ingredients were already there for a crisis to democracy. As was discussed on one of the earlier sections to this chapter, Hungary lacked a democratically created constitution, amendment procedures were very lax, election results were highly disproportional which distorted popular preferences, and political competition had become highly polarized. Thus when in 2010, Fidesz, with its pre-election coalition partner, the right-wing Christian Democratic People’s Party, was able to receive a two-thirds majority (68.14% of parliamentary seats) with 52.7% of the popular vote, the legislature was in pole position for major constitutional amendments. Furthermore, the extreme-right wing and nationalist Jobbik, gained 12.18% of parliamentary seats; while the main opposition, the Hungarian Socialist Party, was reduced to 15.28% representation. In other words, Fidesz would be able to govern without an effective opposition.

Fidesz which was found in the late 1980s as a liberal party, slowly shifted to the right by the mid 1990s by emphasizing family, the church and nationhood. Fidesz’s ideological profile, however, reflected electoral views, as cultural issues were the key dimension in Hungarian political competition. Furthermore, Fidesz voters had become particularly authoritarian by 2002 when compared to voters from other parliamentary parties. Thus appropriately reflecting its more authoritarian tendencies, Fidesz’s first major legislation after gaining power in 2010 was amending Hungarian media regulation through the creation of the Media Council. The Council’s four members were not only Fidesz appointees, but more

86 Enyedi, 2005: pg712.
importantly, the new regulation created media restrictions by allowing the Council to monitor media content and impose fines for biased coverage. As a result of the new media law, according to Freedom House’s Independence of Media indicator, Hungary’s score deteriorated by half a point in a 7-point scale from 2010 to 2011.

This was but the first move by the Fidesz government in what’s been called a “constitutional coup”. On January 2012, a new constitution, adopted unilaterally by Fidesz entered into force. The constitution’s preamble begins by stating, “God bless the Hungarians” while at the same time emphasizing that “family and the nation constitute the principle framework” for the Hungarian nation. Furthermore, the new constitution states that the preamble should influence the interpretation of the constitution; calls on Hungary to protect Hungarians living abroad; shifts the emphasis from the state protecting individual rights to communal rights; and diminishes the system of checks and balances between the different branches of government. If the institutional change created by Fidesz is not troubling enough, the party leader’s rhetoric is even more disconcerting. In a 2014 speech Orban called for the end of liberal democracy by stating that “I don’t think that our European Union membership precludes us from building an illiberal new state based on national foundations”; while at the same time citing illiberal, authoritarian, and even communist regimes such as Russia, Turkey and China as “successful

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nations”. The President of the Hungarian Parliament has even likened the EU to the Soviet Union due to the EU’s “interference” on Hungarian domestic politics. Thus, the once euroenthusiastic Fidesz has turned anti-EU, and the country’s permissive consensus toward European integration has been replaced by strong eurosceptic views in which EU economic policies have been labeled as that cause of the country’s economic difficulties.

Orban’s rhetoric clearly indicates that political culture is at play, and once more shows that democratic consolidation is a long-term process. While Hungary’s early transition period and pre-accession performance showed signs of political stability and future systemic consolidation, the ingredients that could have proven detrimental to the consolidation of democracy were already there. However, they were disguised by the pre-accession process, which took precedence over the consolidation of democracy. For example, the country’s illegitimate constitution and the flexible amending procedures should have drawn a red flag on part of the EU, especially in conjunction with Hungary's polarized nature of political competition. While on the one hand the EU emphasized the administrative capacity to take on the obligations of membership, on the other hand the EU unwittingly overlooked the more important aspect of democratization—the formal establishment and legitimacy of a democratic constitution. This is not surprising, however, considering the emphasis on the formal adoption of the acquis by the pre-accession process, rather than issues related to the consolidation of democracy.

In terms of the democratic criteria for membership—take minority rights for example—the EU forced the adoption of legislative frameworks for the protection of minorities. However, when it comes to the deep embeddedness of such norms, and one considers the permissive consensus over European integration in Hungary, it is hard to expect that such a norm could be embedded on external inducement alone. Historically Hungarians have held strong anti-Roma sentiments. Thus it is unsurprising that post-accession, the Roma community has become a target population for the nationalistic Fidesz and Jobbik parties. Yet the adoption of minority protecting legislation during the pre-accession period was only superficial in the case of Hungary. It was driven by a permissive consensus toward the ultimate goal of EU membership, rather than on domestic factors, which reflected societal acceptance through a learning process of policy debates and policy emulations. As Dahl has argued, a superficial and irrational “consensus” may prove as undesirable as extremism, for it allows fringe forces to rise up and challenge the prevailing consensus. It is in this respect that Katz and Mair suggests that the cartel party could prove detrimental for democracy. Interestingly enough, both Fidesz and Jobbik have pointed to the EU as the cause of the country’s current problems—the once ultimate goal for euroenthusiastic Fidesz.

Romania’s post-accession performance was doubtful from the very beginning, considering the special provisions in the accession treaty. Unlike the 2004 entrants, Romania (and Bulgaria) would continue to be under the monitoring

91 Filip Mazurczak, "Euroscepticism and the emergence of East-Central Europe’s far-right," Visegrad Insight May 27, 2014. 2014. According to a recent survey, 60% of Hungarians believe that the Roma are naturally inclined to criminality.

supervision of the European Commission even after accession. The Cooperation and Verification Mechanism inserted into the accession treaties of the two states, would allow the Commission to monitor post-accession performance in a number of areas such as the dissemination of agricultural funds, reforms of the judiciary and the fight against corruption, and apply appropriate measures in case of shortcomings. Yet immediately after accession, Romania came to show its true colors, as the post-accession performance of the country can only be described as highly unstable.

In 2007 a group of 182 deputies and senators brought 19 impeachment charges against President Basescu for violating democratic principles. The President’s impeachment was put up to a referendum as required by the constitution. Although Parliament amended the referendum law into making the results valid even in case of low voter turnout, surprisingly, 75.1% voted against impeachment (voter turnout was 44.4%). Following his failed impeachment, Basescu proposed a new electoral system, claiming that the “referendum had proven that the political elite and political system were irremediably corrupted.”

The new electoral system would replace the proportional system with a three-tear system similar to that of Hungary in which each candidate was given the opportunity to campaign on single-member districts. Although 83.4% of the electorate supported the proposal on a national referendum, the low voter turnout of only 26.5% meant that the results were invalid. Claiming that the majority of Romanians supported the proposal, Basescu violated the constitution and went

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forward with the proposal nonetheless.\textsuperscript{94} Interestingly enough, when in 2012 Basescu was put up for impeachment for the second time, and this time a large majority of voters favoring his impeachment (88%), Basescu claimed the results were invalid because of the low voter turnout (46.24%). Basescu’s opportunistic behavior toward the validity of national referendums runs root with Romania’s democratic problems. Constitutionalism in Romania, according to Schwartz is “nowhere to be found”, as rather than reflecting a bond between citizens and government, in Romania, the constitution more accurately represents the momentary interests of those in power.\textsuperscript{95}

Yet similar to the Hungarian pre-accession period in which the permissive consensus over European integration displaced more pertinent issues related to the consolidation of democracy, similarly, in Romania, the most fundamental issue for the consolidation of democracy—behavioral entrenchment to the rules of the game—were displaced by European integration. Not only did the permissive consensus over European integration made EU membership the ultimate end, but at the same time, by preventing political learning, the pre-accession process hampered the development of a democratic political culture in a democracy most devoid of that concept. As Gallagher has argued, Romanian elites were able to deceive EU officials by only superficially adopting democratic norms. Similarly, Goetz argues that the substantive impact of the pre-accession process “seems, at best, shallow and tends to be associated with the creation of institutional facades, created to satisfy

\textsuperscript{94} Ibid.: pg1122.
external expectations and demands." Goetz, however, goes a step further by suggesting that we should not confuse failed institutionalization with the *intentional shallow institutionalization* of EU norms. In other words, there may be an intentional goal on part of candidate states to only superficially adopt EU norms because they do not reflect domestic interest. Thus while the pre-accession process may affect behavioral change, the effect is only temporary and possibly intentional, especially in cases where the embeddedness of such norms is questionable from the start.

Thus we can safely say that in the case of Romania, the post-accession period was only a continuation of “normal” Romanian politics, while the pre-accession period, disguised such problems, only to allow them to resurface once-more when the ultimate goal had been achieved. Perhaps the biggest indication that the pre-accession period did very little to contribute to the consolidation of democracy in Romania is by looking at the effects of the changed 2008 electoral system. As was mentioned earlier, in 2008 Romania adopted a new electoral system which replaced the proportional formula with a majoritarian one. Empirical evidence has shown that proportional formulas tend to produce more fragmented party systems, while majoritarian ones tend to produce less fragmented systems. However, the 2008 Romanian parliamentary elections only replicated previous elections, not only in terms of election results, but also in the behavior of parliamentarians. Despite the new system being adopted in order to give candidates more freedom from their

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97 Ibid.: pg10.
respective parties, according to Coman, there was no observable difference in the voting behavior of parliamentarians before and after the 2008 electoral reform. Furthermore, around 30% of parliamentarians in both, the Chamber of Deputies and Senate were able to gain representation despite being blacklisted by the Coalition for a Clean Romania for past failures to support democratic reforms. Interestingly enough, the coalition government formed after the 2008 elections consisted of two archrivals representing different ends of the ideological spectrum—the right-wing Social Democratic Party and the left-wing Democrat-Liberal Party. Thus, a party system which had lacked the institutionalization of ideological differences between contending parties during the pre-accession period, seems to have experienced no change in ideological institutionalization during the seven years that comprise the pre-accession period.

4. Conclusion

In contrast to the effects of the pre-accession process on political competition under consensually designed democracies, this chapter was able to show that European integration had a negative effect on political competition under majoritarian designs. The pre-accession process appears to have distorted the institutional framework of majoritarian democracies into those resembling consensual democracies. Due to the lack of eurosceptic parties, European integration in Hungary and Romania was depoliticized and prevented legislatures

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from performing even one of their most basic functions—that of policy debate. Thus in effect, political parties became transmission belts for the EU, while societal interests and input were eliminated from the policy-making process. This combination of factors resulted into what can only be described as a political pact over European integration. However, political pacts are not necessary favorable for the consolidation of democracy. Under certain conditions, they may actually prevent the consolidation of democracy due to their “anti-democratic” nature.

The pre-accession process under majoritarian Hungary and Romania had all the features of a political pact, which proved detrimental to the consolidation of democracy. First, by directly eliminating political discussion over the implications of membership, the pre-accession process failed to incorporate diverse interests in the policy-making process. Second, and a corollary of the first effect, the pre-accession process had the influence of preventing the formation of a democratic political culture by curtailing the important transition period with the demands of accession. Finally, this conjunction of factors had the final affect of fomenting a cartel party under majoritarian designs. The implications of the cartel party were rather paradoxical. Because the political pact over European integration was based on an irrational and permissive consensus, it failed to foment a political culture based on compromise and cooperation. Rather, by emphasizing the speed of negotiations and early EU accession, the party cartel paradoxically strengthened the antagonistic politics of majoritarian systems by displacing issues related to democratic consolidation with a depoliticized integration process. This effect was clearly apparent in Hungary due to its polarized form of political competition, while
in Romania it only reinforced the top-down nature of policy-making, due to the country's already fragile and less developed culture of democratic norms. Because political debate revolved around the management of the accession process and not around policy-making, the legislature which acts as the political organ of a democracy that foments a political culture of compromise and cooperation was reduced in importance as the executive dominated the management of the accession process.

Thus in terms of the democratization of Hungary and Romania, the pre-accession process acted as a temporal interruption in the consolidation of democracy by having a “freezing” effect in the policy sphere. In this respect, it is important to distinguish between process and product. Whereas the process relates to the manner in which something is accomplished (the dynamics of the pre-accession process); the product relates to the end result (EU membership and accession terms). Elgie and Zielonka argue that if the process is “consensual and legitimate, then it is likely that the product will be too.”\textsuperscript{100} However, in the context of the Eastern enlargement, it became apparent in this chapter that not only was the process itself illegitimate due to its asymmetrical nature, but the permissive consensus over the process itself did not prove to be a virtue of European integration but rather a folly of the process which hampered the development of a democratic political culture. As Parsons and Shils have argued, learning takes place not only through the acquisition of information, but also through “patterns of orientation” in which actors learn “new ways of seeing, wanting, and evaluating”

\textsuperscript{100} Elgie and Zielonka in: Zielonka, 2001: pg34.
their political needs.\textsuperscript{101} In this respect, the pre-accession process introduced certain democratic ideals to the CEE candidates, however, paradoxically, it removed the procedures of democratic policy-making, which hampered the development of patterns of orientation that would have been beneficial to the consolidation of democracy. Unwittingly, the pre-accession process even reinforced patterns of orientation that are harmful to the consolidation of democracy, such as antagonistic politics and top-down policy making.

The Europeanization literature has become useful in providing possible explanations on the divergent patterns of post-accession CEE. As the discussion above on Knill and Lehmkuhl’s findings suggested, the Europeanization of non-legislative issues depends less on the domestic institutions, and more on the interaction of actor-centered perspectives with the domestic institutional context. Furthermore, research has also shown that the Europeanization of national polities and politics has been less affected by European integration. In this respect, the dependent variable of interest to this study—democracy—falls under those issues not directly covered by EU legislation. Thus, the institutional perspective taken by this study has been instructive in explaining how European integration affected democracy in CEE. Because Lijphart’s institutional typology is based on the extent to which power sharing is distributed among political parties, the typology has a built in actor-centered perspective. It allows for not only cross-sectional comparisons, but also for actor-centered perspectives, as the behavioral impact of the pre-accession process would only logically produce different affects under

differently instituted democracies. Therefore, in comparison with the findings of chapter 5, we can conclude that the pre-accession process had a differentiated impact on differently instituted democracies.
CHAPTER 7: Conclusion

This study was inspired by the historic Eastern enlargement in which former communist states were able to successfully transition to liberal democratic states and ultimately full EU members. In addition to its historic significance, the Eastern enlargement also proved significant in terms of scholarly research. Unlike previous enlargement rounds, the Eastern enlargement was emblematic for its size (with ten new members), its admission criteria and sheer speed of the pre-accession process itself. This combination of factors proved important in giving birth to a sizable body of literature assessing the impact of the European integration of CEE. Yet despite the growing importance of the Europeanization literature, there were noticeable gaps in the better understanding of how European integration affected democracy in new member states. From the enlargement and Europeanization literature, the conditions under which EU membership contributed to the consolidation of democracy remained unclear; while from the democratization literature, the dynamics of the Eastern enlargement proved too complex to be put under existent theoretical frameworks.

This study therefore attempted to interact these two sets of literature for a better understanding of how European integration affected democratic consolidation in CEE. While the basis of the study was empirically focused, it was at the same time theoretically driven. In other words, the study was exploring and theorizing the impact of European integration in CEE through an empirical-theoretical combination. Empirically, six case studies were selected for review from
two different enlargement rounds. The cross-enlargement round comparison is important in theoretical terms because by testing hypothesis across time and across cases, we are better equipped to create theoretical propositions that hold true across time and across cases. The theoretical component of the study therefore determined case selections as well how the theoretical proposition was constructed and tested.

In order to revisit and reassess some of this study's findings, the remainder of this chapter will be divided in five sections. Section one will discuss the empirical findings and contributions of the case studies in regards to the democratization literature. Section two will discuss the Europeanization literature and what it has taught us about democratization and the European integration of CEE. Section three will attempt to interact the Europeanization and democratization literatures for a better understanding of how the Eastern enlargement improved our understanding of the democratization of CEE. Additionally, this section will also attempt to generalize the findings throughout the entire Eastern enlargement. Section four will switch focus onto some of the methodological and theoretical limitations of this study. On that note, the same section will also discuss areas of future research that can improve our understanding of the impact of the European integration of newly democratized states. Finally, section five will summarize and conclude the study.

1. Democratization in Southern Europe and CEE

The claim that democratization belongs to the domestic domain has been examined extensively by the democratization literature. As we were able to see in the analysis of the Southern Enlargement (Chapter 4), domestic forces were largely
the determining factors in the democratization of the region, while international forces acted only as moderator variables. In comparison, international factors acted more as key independent variables in CEE (nonetheless, domestic factors were of key relevance in moderating the impact of European integration). Whereas in Southern Europe the transitions to democracy were slow and anticipated, in CEE, the fall of communism was abrupt and the initial transitions to democracy were largely determined by the manner of regime collapse. As we were able to see in Chapter 4, Portugal and Spain transitioned to democracy in relatively similar manners, despite the nature of regime collapse. Whereas in Portugal the Salazar regime ended through a military coup and in Spain the transition to democracy was negotiated between Franco forces and the opposition, in both cases, it was socioeconomic changes as a result of rapid economic growth that made the transitions to democracy possible. Democratization in Portugal and Spain therefore initiated under favorable conditions, as civil society was already developed and engaged in the transition process.

CEE transitions on the other hand had slightly different beginnings. If we recall Linz and Stepan’s typology of political regimes, we saw that each of the four CEE cases examined by this study experienced different variants of non-democratic regimes. Whereas Poland most closely resembled the authoritarian model; Czechoslovakia experienced a form of frozen post-totalitarianism; Hungary represented the leading example of post-totalitarianism; and Romania representing the most repressive form of a non-democratic regime—a sultanistic regime. As Linz and Stephan argued, the former regime type has implications for the consolidation
of democracy, as it largely determines the level of difficulty. In this respect, Poland and Hungary were expected to experience relatively easier transitions to democracy compared to Romania. While Czechoslovakia, despite experiencing a harsher form of communism compared to Poland and Hungary, was blessed with the highest levels of economic development in the region. This brief overview of the former regime types is important because in comparison with the Southern transitions, with the exception of Poland, the three other cases transitioned to democracy with few conditions favorable for the consolidation of democracy.

In reference to the democratization literature therefore, we are able to draw a number of conclusions from the six examined cases:

- First, in spite of what Carothers has called the end of the transition paradigm,¹ we are able to identify common conditions among all six cases. Regardless of the nature of regime collapse or initial transition period, without a single exception, transitions to democracy begin as a negotiation process between opposition and ruling forces (or factions from within the collapsing regime). Even the case of Portugal which represented something of an anomaly in this regard due to its revolutionary collapse, Salazar forces were able to take part in the transition process through newly established

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¹ Thomas Carothers. "The end of the transition paradigm." *Journal of democracy* 13.1 (2002): 5-21. Print. Carothers made this claim in reference to the observation that most recent transitions to democracy were neither heading toward democracy, nor were they clearly dictatorial regimes. Rather, they had been stuck in a “gray zone” in which their successful transition to democracy was uncertain. In other words, the stages of democratization—the collapse of the authoritarian regime followed by the transition to democracy then the consolidation of democracy were becoming blurred. Thus the transitions to democracy paradigm had become increasingly useless in describing democratic transitions.
and legally recognized political parties. Similarly, the Romanian transition represents a common pattern, despite it being categorized as “captured” or “hijacked” due to the ability of communist forces in maintaining control over the transition period. FSN—the National Salvation Front—which is argued to have “captured” the revolution, broke up into smaller parties after the 1990 elections, that is, before the adoption of the first post-communist constitution. The negotiating nature of the initial transition period is important because in its essence it captures democracy’s most basic function—that of political competition. Thus as Diamond has argued in response to Carothers’ claim, even in the most extreme of cases, transitions to democracy involve negotiations, if not between opposition and incumbents, than between hard-liners and soft-liners.\(^2\)

- Second, while democracy is certainly an innovative political system, it is also an institutionalized one. Change therefore takes time, while rapid fluctuations within the system can be unstable for the consolidation of democracy. Hungary and Romania clearly illustrated this point. In both cases, constitutional issues remained unaddressed after the collapse of communism, which coupled with polarized politics in Hungary and the communist legacy in Romania proved devastating for the consolidation of democracy. In the other four cases, constitutional issues were address early on and therefore provided for a more stable political climate.

Institutionalization in democracy, however, does not necessarily take place

only at the legal level. Again, in the cases of Hungary and Romania it was more informal forms of behavior that proved detrimental to the consolidation of democracy. In Hungary, the polarized nature of political competition meant that socio-cultural issues displaced socio-economic issues, while in Romania, the lack of ideological differences between political parties meant that the political system remained noninstitutionalized along the socio-economic dimension. From the remaining four cases, Portugal, Spain and the Czech Republic, the party systems had shown signs of stability early on, while Poland’s unstable party system seems to have been mitigated by its highly vibrant civil society. All in all, early institutionalization and successful democratic transitions seem to go hand in hand.

- Third, the role of international factors in contributing to the consolidation of democracy has become a common assumption in the democratization literature. However, this study was able to show that the effects of European integration were experienced at varying degrees in the six cases. While in all six cases European integration had some positive effects, under certain conditions, European integration proved detrimental to the consolidation of democracy. As the literature has shown, European integration only indirectly contributes to the consolidation of democracy by making it easier for political elites to agree from within a narrower set of alternative rules and ideas. While this argument is already qualified, this study was able to show how and under which conditions European integration proved either beneficial or detrimental to the consolidation of democracy.
2. **Europeanization of Southern Europe and CEE**

Europeanization remains a fuzzy concept and how domestic polities, politics and policies are affected by European integration remains unclear. Nonetheless, the literature has been able to reach a number of important conclusions. There does appear to be a consensus among scholars that institutional fit is an important moderator variable in the Europeanization process. As Schmidt has shown, highly centralized states such as France and Great Brittan have been more highly affected by European integration due to the fact that national parliaments have become the losers of the integration process as policy-making powers have increasingly shifted to the EU level.3 While more decentralized or Federal states such as Germany have been less affected by the integration process due to the more consultative nature of such systems. Schmidt’s logic applies equally well to majoritarian versus consensual democracies as this typology differentiates executive-legislative relations in terms of power sharing. In other words, under more majoritarian designs, the executive has become increasingly powerful at the expense of the legislative as a result of European integration, while under more consensual designs, the Europeanization effect has been moderated by a more fragmented party system in which legislative input remains a necessity for policy-making. As Schmidt has argued, under more concentrations of power Europeanization is imposed, while under more power-sharing arrangements Europeanization is negotiated.4

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This study has therefore worked under the assumption that European integration was likely to have varying affects in CEE as a result of institutional makeups. Having taken institutional capacity into account, this study attempted to show how European integration affected democracy in newly democratized states across time and across cases. In this respect, the Europeanization literature must be divided into at least three categories. The first category includes the oldest EU members who have been part of the integration process from the very beginning. In this group of cases we also find some of the more powerful EU members in terms of voting power. In the second category, and of course in reference to this study, are the South European states which joined the Union under different conditions compared to the Eastern enlargement. The third category thus, includes the newest members from CEE. This distinction is important for a number of reasons. First, the oldest EU members have also been the drivers of Europeanization, which means their interests have been represented at the EU level from the very beginning. Second, the longer a state has been part of the Union, the longer it has had to adapt to the Europeanization process. Lastly, the Eastern enlargement not only differed in the accession criteria in comparison to previous enlargement rounds, but equally important was the sheer speed of the integration process. Which in affect, resulted in the full adoption of the acquis without any input from the candidates themselves.

Thus when reaching conclusions concerning the impact of European integration, the previously mentioned categories must not be overlooked. In this regard, this study was able to conclude the following:
• First, in reference to the Southern enlargement, European integration played only a minimal role in the democratization of the region. This was largely due to the accession criteria itself. EEC membership was preconditioned on a functioning democratic system and the willingness to fully adopt the *acquis*. Therefore, immediately after the first free elections in both, Portugal and Spain, the democratic precondition for membership was no longer an issue, as these states were judged to have successfully transitioned to democracy, while membership itself was expected to contribute to democratic consolidation. Thus in effect, the pre-accession process itself amounted to nothing more than a negotiation process over the adoption of the *acquis*. It is in this respect that Chapter 4 was able to conclude that European integration acted only as a moderator variable in Portugal and Spain's successful consolidation of democracy.

• Second, in contrast to the Southern enlargement, the Eastern enlargement was strikingly different in the sense that it was presented to the candidates as an event. While Europeanization itself is an ongoing *process* of change, adoption and adaption, the Europeanization of CEE was presented by the European Commission as an *outcome* to be completed on the date of accession. In other words, CEE candidates were expected to accede into the EU as fully functioning new members. The pre-accession process therefore had an immense effect on political competition in the candidate states, as the adoption of the *acquis* was non-negotiable. In what has been called a permissive or irrational consensus over European integration, the pre-
accession process reduced political competition and policy-making into an administrative process. This study, however, was able to show that this effect was mitigated by domestic euroscepticism toward integration. In other words, in Poland and the Czech Republic, there was a high degree of euroscepticism which prevented the reduction of political competition into an administrative process, while in Hungary and Romania, the lack of euroscepticism meant that an irrational consensus had ensued over European integration. The mitigating effect of euroscepticism was therefore to act as a source of political competition by allowing legislatures to perform their most essential functions—those of dialogue and cooperation over policy-making. In other words, euroscepticism contributed to political learning.

- The moderating effect of euroscepticism, however, should not be interpreted as the most important variable in the political learning process. It is rather the fragmentation of the party system itself that acts as the key distinguishing variable that foments political learning. As was discussed in the earlier substantive chapters, under more fragmented party systems there exists a need for cooperation and compromise—factors which in and of themselves contribute to political learning. While on less fragmented party systems, the nature of competition between political parties is more antagonistic. Thus the degree of party-based euroscepticism during the pre-accession process amplified the cooperative mode of consensual democracies,
while its absence under more majoritarian designs did not mitigate the negative effects of the process itself.

- Third, political learning and the socialization of EU norms have become important concepts in the Europeanization literature. In essence they act as causal mechanisms in explaining how Europeanization is internalized and socialized into the domestic sphere. The literature has been consistent in showing that national polities have been impervious to the Europeanization process, while domestic policies have been Europeanized to a greater degree.\(^5\) Nowhere is the legislative effect of European integration more apparent than in CEE. However, in terms of polity effects, the Europeanization of CEE has been described as “shallow” because the pre-accession process did not allow for political learning to take place. This study was able to show that in Poland and the Czech Republic, the conditions for successful democratic consolidation were already there, while during the pre-accession process, the presence of euroscepticism and a highly fragmentized party system was able to allow for political learning. For Hungary and Romania on the other hand, the conditions for democratic backsliding were already there (the illegitimate constitution and polarized political competition in Hungary and the communist legacy and unstable

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semi-presidential structure in Romania). Yet, the pre-accession process did very little or proved ineffective in addressing these issues. Therefore, in combination with the asymmetrical integration process, the depoliticized pre-accession process and majoritarian style policy-making, the European integration of Hungary and Romania proved detrimental to the creation of a democratic political culture. Thus in effect, this group of factors did not allow for political learning to take place. As Checkel has hypothesized, political learning is less likely to take place under conditions of political pressure.\(^6\) Interestingly enough, Romania which suffers the most in respect to a democratic political culture also proved most impervious to political learning as political elites underwent a temporary behavioral change in order to satisfy accession criteria, but ultimately reverted back once membership was secured.

- We must also not conflate euroscepticism itself with democratic values. As empirical evidence has shown, eurosceptic parties tend to be found in the fringes of party systems. In other words, eurosceptic parties tend to propagate antidemocratic values such as intolerance, bigotry and hatred. Thus it would be foolish to suggest that that spreading of these values contributes to democratic consolidation. What this study, however, attempted to show through the analysis of euroscepticism was that under the conditions of the pre-accession process, the rise of euroscepticism moderated the negative effects of

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the process itself by acting as a factor which fostered democratic deliberation over the implications of membership. Thus more deliberation equals more democratic political learning and vice-versa.

- Finally, when speaking of the overall affect of the pre-accession process it is hard to see how the process itself was conducive to democratic consolidation in all four CEE cases. Rather than trying to understand how and under what conditions the promotion of democracy by the EU during the pre-accession process was effective, we are better to speak of the extent to which the pre-accession process proved detrimental to the consolidation of democracy.

3. Generalizing the Findings

In this section, I will attempt to extrapolate from the four CEE case studies in order to see how well the findings are generalizable to the entire Eastern enlargement. It appears that euroscepticism over European integration was less prominent during the pre-accession period under more majoritarian designed democracies. The degree of euroscepticism in a given candidate state during the pre-accession period is important because it provides a source of political competition during a pre-accession process under which political competition was severely hampered due to the conditionality principle of the accession criteria. In this respect, the pre-accession process hampered political learning and the development of a democratic political culture. At the same time, the legitimacy of the accession process itself was undermined, as the candidates themselves became policy-takers rather than policy-makers.
As was discussed on Chapter 5, euroscepticism is often viewed through a normative lens and judged to be undesirable as it stands in direct opposition to European integration. A recent body of literature, however, has been suggesting that euroscepticism may actually prove positive in the Europeanization process. In this respect, euroscepticism provides a source of political competition to an organization that lacks the conventional elements of popular democracy, but also politicizes the integration process itself that has been depoliticized by a permissive consensus.

The depoliticization of European integration, however, was more apparent in the Eastern enlargement than within the domestic politics of member state due to the asymmetrical nature of the pre-accession process. It is in respect to the adoption of the *acquis* that euroscepticism becomes relevant to political learning. Eurosceptic parties thus provided a voice of opposition and a source of political competition to the permissive consensus over European integration. Because European integration cut short the transitions to democracy by prioritizing the accession criteria rather than domestic concerns over the consolidation of democracy, it subsequently undercut political learning at the elite level. In other words, when euroscepticism is viewed from the political competition point of view, it prevented the depoliticization of the pre-accession process. Thus by preventing the depoliticization of European integration, euroscepticism contributed to political learning by not allowing the transitions to democracy to be undercut by European integration. Therefore, in cases where euroscepticism was present at a higher
degree this study hypothesized that political learning was hampered at a lesser
degree by the top-down nature of the pre-accession process.

In order to substantiate this claim throughout the entire Eastern enlargement,
I have aggregated data from Benoit and Laver’s (2006) expert survey on how
favorably CEE parties viewed EU membership (I will call it the “EU salience
variable”). This variable is scaled from 1 to 20 in which 1 means strong opposition
to membership and 20 means strongly favoring membership. The expert surveys
were conducted during the pre-accession period (2000 to 2003), which means they
correlate well with the institutional variable, which also covers the pre-accession
period.

The aggregation of data was conducted in the following manner. Initially the
EU salience variable was averaged out for all parliamentary parties in a given
candidate states in order to develop an aggregate variable for each candidate.
Meaning, in a parliament of five parties, the EU salience score of all five parties was
averaged out into one score. This approach, however, is problematic as it equally
weighs the relevance of a party with say 30% of parliamentary seats with that of
only 5%. Thus in order to get a more accurate measurement of the EU salience
variable, I followed the same method for averaging out the score of parties in
governing coalitions only. This second aggregation would more accurately capture
how favorably governing parties viewed EU membership. The results are produced
in Table 7.1.

This table shows that the institutional variable is negatively correlated with

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the EU salience variable. The more consensual a candidate was, the less favorably it viewed EU membership. The results, however, are not statistically significant for the parliamentary parties variable. Yet, they correlate at 71% with the governing parties variable and the results are statistically significant at (p=.022). The expectation that majoritarian democracies have generally been more optimistic about EU membership while consensual democracies have been more eurosceptic is therefore confirmed by Table 7.1.

Table 7.1: Euroscepticism in CEE

<table>
<thead>
<tr>
<th></th>
<th>EU Salience (Parliamentary Parties)</th>
<th>EU Salience (Governing Parties)</th>
<th>Institutional Score (Executive-Parties Dimension)**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulgaria</td>
<td>18.3</td>
<td>18.4</td>
<td>-.92</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>13.7</td>
<td>17.4</td>
<td>-.17</td>
</tr>
<tr>
<td>Estonia</td>
<td>15.8</td>
<td>16.6</td>
<td>.11</td>
</tr>
<tr>
<td>Hungary</td>
<td>16.8</td>
<td>19.1</td>
<td>-.42</td>
</tr>
<tr>
<td>Latvia</td>
<td>14.7</td>
<td>13.2</td>
<td>.90</td>
</tr>
<tr>
<td>Lithuania</td>
<td>15.6</td>
<td>15.4</td>
<td>-.41</td>
</tr>
<tr>
<td>Poland</td>
<td>11.6</td>
<td>17.8</td>
<td>-.12</td>
</tr>
<tr>
<td>Romania</td>
<td>16.8</td>
<td>18</td>
<td>-.15</td>
</tr>
<tr>
<td>Slovakia</td>
<td>16.3</td>
<td>17.6</td>
<td>.18</td>
</tr>
<tr>
<td>Slovenia</td>
<td>15</td>
<td>16</td>
<td>.71</td>
</tr>
</tbody>
</table>

Institutional Score degree of correlation with:
Parliamentary Parties: \( r=-.39, \ p=.269 \)
Governing Parties: \( r=-.71, \ p=.022 \)

* Scaled from 1 to 20 in which 1 means strongly opposes EU membership and 20 means strongly favors EU membership.

** The institutional score ranges from -2 to 2. -2 represents purely majoritarian institutional designs, while 2 represents purely consensual institutional designs. The respective scores are averaged amounts, which cover the period from the first free elections after the collapse of communism to 2005.

Sources: Benoit and Laver, 2006; Roberts, 2006.

The above findings, however, raise an important question. Because Lijphart's institutional variable (executive-parties dimension) is a composite variable of five micro-variables, would any of the five micro-variables better explain the
democratization patterns in CEE? When a correlation was drawn between the five micro-variables and levels of democratization and euroscepticism in CEE, only the effective number of parties variable produced statistically significant results out of the five micro-variables. More importantly, however, looking at the correlation matrix on Table 7.2, the effective number of parties variable actually improved the degree of correlation across all four measurements of democratization and euroscepticism when compared to the composite executive-parties variable.

Table 7.2: Correlation Matrix

<table>
<thead>
<tr>
<th></th>
<th>FHDS @ Year of Membership*</th>
<th>FHDS 2014*</th>
<th>EU Salience Score (Parliamentary parties)**</th>
<th>EU Salience Score (Governing parties)**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive-Parties</td>
<td>-.42 (.229)</td>
<td>-.65 (.042)</td>
<td>-.39 (.269)</td>
<td>-.71 (.022)</td>
</tr>
<tr>
<td>Effective Number of Parties</td>
<td>-.61 (.059)</td>
<td>-.85 (.002)</td>
<td>-.64 (.044)</td>
<td>-.75 (.013)</td>
</tr>
<tr>
<td>EU Salience Score (Parliamentary parties)**</td>
<td>.55 (.101)</td>
<td>.67 (.033)</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>EU Salience Score (Governing parties)**</td>
<td>.25 (.482)</td>
<td>.63 (.051)</td>
<td>---</td>
<td>---</td>
</tr>
</tbody>
</table>

* The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The 2014 ratings reflect the period January 1 through December 31, 2013.

** Scaled from 1 to 20 in which 1 means strongly opposes EU membership and 20 means strongly favors EU membership.

(Degree of statistical significance in parentheses)

Table 7.2 thus suggests that it was the effective number of parties and not the composite institutional score that was driving change across time. However, this does not necessarily refute the argument that’s been put forward by this study. We know that all five micro-variables of the executive parties dimension are highly correlated with one another and that the number of effective parties is the defining
variable that distinguishes majoritarian from consensual democracies. Thus when this study hypothesized that the pre-accession process appeared to have been less conducive to democratic consolidation under more majoritarian designs, it also took into account the possible impact of the other micro-variables. As we saw in the case of Poland, the highly proportional electoral formula had a positive impact in the rise of eurosceptic parties. Interestingly enough Table 7.2 also shows that the degree of euroscepticism during the pre-accession period is well correlated with present day democracy scores. Meaning, the more Eurosceptic a candidate was, the better it is performing today.

![Graph 7.1](image1)

![Graph 7.2](image2)

When we look at the number of effective parties in each candidate state and the degree of democracy at the time of accession and 2014 through a scatter plot (Graph 7.1 & 7.2) we see that no single outlier is driving the results. In this respect, Romania and Lithuania, both of which originally stood out as somewhat exceptional cases when the composite institutional variable was used (as Romania appeared more consensual while Lithuania more majoritarian), conform better to the study’s theoretical argument when the number of effective parties is used as the
independent variable. Based on Graph 7.2 we can clearly see that the three more troubling cases (Bulgaria, Hungary and Romania) are also the three least fragmented party systems in CEE.

The analysis of the democratic transitions of CEE in the context of European integration have thus produced two general patterns. First, it is apparent that consensual democracies have generally maintained their democratic progress reached during the pre-accession period into the post-accession period, while majoritarian democracies have become more problematic cases (albeit, it was the effective number of parties that was driving the results). Second, it was also shown that consensual democracies were generally more eurosceptic than their more majoritarian counterparts during the pre-accession period. Thus the initial hypothesis that was proposed by this study has been confirmed, albeit with an important qualification: The loss of policy-making powers as a result of the conditionality principle of the pre-accession process can be overcome by a high degree of euroscepticism. Euroscepticism therefore not only adds a degree of legitimacy to the pre-accession process, but more importantly, it is able to mitigate the detrimental effects of the pre-accession process on the concept of democratic political learning which under majoritarian democracies was hypothesized to be greater due to the concentration of power in fewer hands.

On a final clarification, I would also like to emphasize once more that it was the degree of party system fragmentation and not the degree of euroscepticism that proved to be the most important independent variable. This study hypothesized and was able to show that the pre-accession process was more conducive to
democratic consolidation under more fragmentized party systems. Thus, it was the party system itself and not euroscepticism that provided the ideal environment for political learning under the conditions of the pre-accession process. The role of euroscepticism as a source of political competition only amplified the nature of more fragmented party systems. Nonetheless, there is a conceptual linkage among the three independent variables (party system, euroscepticism and political learning) shown to be important to democratic consolidation in CEE. The more fragmentized a party system, the more likely that a eurosceptic party will emerge, and the more likely political learning will take place.

4. Limitations, Implications and Areas of Future Research

At this point I would also like to highlight some of the methodological and theoretical limitations of this study. I will now discuss each in some detail.

- The first issue is purely methodological as it relates to case selection. Concerning the Southern cases this is less of a problem as we were faced with a choice of two cases out of a total of three. From the Eastern cases, however, a number of questions rise. Why choose Poland and the Czech Republic as the two cases with more consensual designs and Hungary and Romania as the two cases with more majoritarian designs? For example, Slovakia, a more consensually designed democracy also experienced a high degree of democratic regression in the post-accession period. Thus wouldn’t a more interesting comparison within the group of cases include a consensually designed democracy that has also regressed democratically? This question becomes even the more interesting considering the theoretical
proposition that was tested by this study—that it was the more majoritarian designed democracies that have regressed since accession. On Chapter 2, I rationalized the case selection by arguing that the cases “were chosen because they make up a group of highly comparable cases under the most-similar systems research design.” In this respect, Slovakia did not fit within the research design, as the comparison would have also required a more majoritarian designed democracy that did not regress in the post-accession period. Nonetheless, the reader must bear in mind some of the issues that rise from case selection.

- The second limitation of this study is related to the endogeneity question. This study used the degree of euroscepticism as a moderator variable, which was able to mitigate the negative effects of the pre-accession process. The study, however, could not show whether the rise in euroscepticism in Poland and the Czech Republic was a direct response to the integration process (exogenously influenced) or was a result of domestic factors (endogenously influenced). Theoretically speaking, was euroscepticism an exogenous variable, which rose in response to European integration, or was it endogenous to the two cases? This distinction is important in terms of theoretical modeling as we would be better focused in determining the causal power of European integration. In other words, if euroscepticism was exogenous, then the theoretical proposition of this study becomes stronger as it is able to show that European integration was the causal factor in the rise of euroscepticism. Thus we would be able to attribute the rise of
euroscepticism to the pre-accession process itself. On the other hand, if euroscepticism was endogenous to the two cases, than the causal relationship becomes weaker as it would be hard to argue and show which domestic factors contributed to the rise of euroscepticism. In reality, however, euroscepticism was likely partially endogenous and partially exogenous. As this study was able to show in reference to Poland and the Czech Republic, the degree of euroscepticism was partially endogenously related to electoral systems; while in Romania, the lack of euroscepticism was attributed to the underdevelopment of democratic pluralism; and in Hungary related to an “irrational consensus” over integration. Exogenously, euroscepticism was clearly a response to European integration. Although euroscepticism does exist even in states not part of the EU such as Norway and Switzerland, it would be hard to argue that in CEE, euroscepticism was not at least partially exogenous.

- Finally, the third limitation relates to the generalizability of the findings. This study was designed in a way that would allow for the findings to be generalized throughout the entire Eastern enlargement. Immediately the reader might be able to object to that proposition as we are dealing with only a small number of cases (N=10). Thus it would be hard to generalize an outcome out of such a small number of cases. Nonetheless, as this concluding chapter was able to show (see section 3), the degree of euroscepticism during the pre-accession period was strongly correlated with present day democracy scores; while the number of effective parties clearly
set apart three of the most troubling democracies (Bulgaria, Hungary and Romania) from the rest of the cases. The generalizability of the findings are also corroborated by the quantitative analysis on Chapter 3.

Some of these limitations can of course be addressed by future research. Future studies of similar research design—focusing on other CEE cases would be good indicators of the validity and reliability of the findings of this study. Furthermore, in July of 2014 Croatia was crowned the latest new member, with more states from the Western Balkans waiting in the horizon. Thus what kind of democratic performance are we likely to witness in post-accession Croatia? Additionally, with the Western Balkan states awaiting membership, studies on the pre-accession process of such states, with a focus on the majoritarian-consensual typology and other theoretically informed research designs would provide valuable insight into how different types of democracies interact with the pre-accession process. The integration of the Western Balkans would therefore also become a good comparative region with CEE. While this list of suggestions is not meant to be extensive, it does provide a good start for better understanding the conditions under which, the promotion of democracy by the EU is likely to be effective.

The last point also raises questions related to policy implications. With the enlargement process still ongoing and the post-accession performance of a number of cases, the EU is already taking measures in improving its pre-accession policy. The first attempt in this regard was in relation to Bulgaria and Romania in which the accession treaties contained post-accession monitoring tools, such as the Cooperation and Verification Mechanisms. Croatia on the other hand was the first
state to undergo a more rigorous pre-accession process in comparison to the
Eastern enlargement. Specifically, two new chapters in the accession negotiations
were introduced—Chapter 23 on Judiciary and Fundamental Rights and Chapter 24
on Justice, Freedom and Security. According to an EU official, lessons learned from
the Eastern enlargement—specifically the negligence of the political criteria—have
resulted in the reinforcement of democracy promotion, particularly because of
“more doubts about the democracy first of Romania and Bulgaria, and then also in
the candidates like Turkey and the Western Balkans.”

Despite the reinforcement of the political criteria, EU enlargement remains a
top-down process with a particular emphasis on the executive and minimal
involvement from civil society. Moreover, as Chung and Ottaway have argued,
democracy promotion is primarily supply-driven in the sense that they promote
projects conceptualized by the donors themselves, rather than demand-driven,
which represent the needs of the beneficiaries. This was particularly the case in
CEE as the EU seems to have promoted a common type of democracy throughout the
Eastern enlargement regardless of domestic idiosyncrasies. Yet, according to
existent research as well as what this study was able to find, democracy promotion
seems to be more effective under conditions already favorable to democracy. In
other words, domestic factors are important moderator variables determining the
efficacy of democracy promotion. Thus in reference to the Eastern enlargement,

which according to Raik was characterized by the keywords of “inevitability, speed, efficiency, and expertise”\textsuperscript{10} the efficacy of EU’s supply-driven promotion proved rather detrimental to democracy under certain conditions. This was the case not only because the pre-accession process was not demand-driven but was even administered under an undemocratic fashion. Thus in terms of policy implications, the EU is likely to be more effective by adopting country-specific integration policies rather than ‘one size fits all’ approaches.

One of the immediate policy implications that rises from this study is that a more fragmented party system is more likely to consolidate democracy under the conditions of the pre-accession process. Thus the EU should perhaps find ways to incorporate electoral formulas into the pre-accession process of future enlargements. While this may sound as highly intrusive, we shouldn’t forget that in the Southern enlargement, the EU recommended that Spain adopt a proportional electoral system as opposed to a majoritarian one which was more appropriate for well established democracies.\textsuperscript{11} This policy recommendation seems perhaps most pertinent to the Western Balkans where democracy has yet to show any signs of consolidation after two decades of transition. Additionally, the EU may choose to influence party systems through party financing, particularly of smaller parties. This would ensure greater political competition and participation. Last but not least, as the pre-accession process has been heavily criticized for its top-down


nature, the EU should find ways to incorporate bottom-up approaches. This approach would simply require the EU to amend some of its NGO funding policies. For example, the EU should choose to finance NGOs in those economic sectors more adversely affected by integration. Thus rather than a general funding approach, the EU should focus on country-specific funding projects as they pertain to particular chapters of the *acquis*.

5. **Conclusion**

I will begin this brief conclusion by toning down some of this study's overly critical tone of the pre-accession process. Even though this study was able to conclude that under certain conditions the pre-accession process proved detrimental to the consolidation of democracy, we must also not overlook some of the positive affects of European integration. As a result of European integration, CEE citizens are able to travel and work freely throughout the EU; their rights are better protected under the European Court of Justice; and Economic integration has resulted in the inflow of Foreign Direct Investment in the region. Nonetheless, these positive effects have been less apparent in terms of effecting national polities.

By looking across enlargement rounds, this study was able to show how European integration has contributed to the consolidation of democracy; while on the other hand, how integration itself proved detrimental to the consolidation of democracy under certain conditions. As the cases from the Southern enlargement showed, neither majoritarian nor consensual democracies experienced a domestic impact from European integration that produced differentiated results based on the institutional typology. The limited impact of European integration on the
The democratization of Southern Europe was largely due to the limited role of the EEC in the integration process itself.

The Eastern enlargement on the other hand produced varying results. The democratic transitions of CEE in the context of European integration showed that the pre-accession process hampered political competition due to the conditionality principle, and in effect hampered democratic political learning. This affect was most apparent under more majoritarian democracies for two reasons: The first reason related to the institutional makeup of such democracies, which limited the number of players involved in decision-making. Thus, not only did the pre-accession process limit political competition, but under majoritarian systems, the pre-accession process prevented political democratic learning by reducing the integration process to competition over policy implementations rather than policy debates. Second, more majoritarian democracies were not able to overcome the loss of policy-making powers through the rise of eurosceptic parties. Euroscepticism in this respect would have added a sense of legitimacy to the pre-accession process by encouraging discussion over the implications of European integration, while at the same time provide a source of political competition which the pre-accession process had suppressed. Thus in conclusion, this study was able to show how the effects of the pre-accession process were moderated by institutional makeups and the degree of euroscepticism.

It is important, however, that the conclusions drawn from this study are not misinterpreted. The institutional variable was not intended to show cause and effect. Rather, the institutional variable was used as a framework through which to
analyze the impact of the pre-accession process. Thus only by extrapolating from the findings was this study able to argue that the pre-accession process was more conducive to democratic consolidation under more consensually designed democracies. Because the analysis could only show if the democratic crisis of post-accession CEE were more prominent under more majoritarian designs, only by extension can we argue that the pre-accession process did not contribute to democratic consolidation under more majoritarian institutional designs. Therefore, the pre-accession process which was expected to contribute to the consolidation of democracy in the region appears to have not had the same impact under differently instituted democracies. Furthermore, the study also attempted to explain the causal mechanism of how European integration can be beneficial or detrimental to the consolidation of democracy through the rise of euroscepticism. In conclusion, it is hoped that this study will spike further discussion on the impact of the pre-accession process under not only differently instituted democracies, but other theoretically informed arguments and typologies that can provide a better understanding of how European integration affects democracy in newly democratized states.
Bibliography


---. "Comparative Democratization Big and Bounded Generalizations." *Comparative Political Studies* 33.6-7 (2000): 703-34. Print.


<table>
<thead>
<tr>
<th>Variable Name and Description</th>
<th>Scale</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>N</th>
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<td>Roberts (2006) Majoritarian-Consensual institutional variable for the Executive-Parties Dimension.</td>
<td>This variable is scaled from -2 to 2 with -2 being majoritarian institutional designs and 2 being consensual institutional designs.</td>
<td>-0.92</td>
<td>1.01</td>
<td>0.001</td>
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<td>Fortin (2008) Majoritarian-Consensual institutional variable for the Executive-Parties Dimension.</td>
<td>This variable is scaled from -2 to 2 with -2 being majoritarian institutional designs and 2 being consensual institutional designs.</td>
<td>-0.61</td>
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<td>Mean</td>
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<tr>
<td>Fortin (2008)</td>
<td>Majoritarian-Consensual institutional variable for all micro variables (the federalism variable is not included because it does not vary across the 10 observations, thus not adding anything of value to the Majoritarian-Consensual variable).</td>
<td>This variable is scaled from -2 to 2 with -2 being majoritarian institutional designs and 2 being consensual institutional designs.</td>
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<td>Freedom House</td>
<td>Nation in Transit Report (NIT). The annual NIT report has measured the development of democracy in the former Eastern Bloc states from 1995 to present.</td>
<td>The variable is scaled from 1 to 7 with 1 being most democratic and 7 being least democratic. For the purpose of simplifying interpretations, the scale of this variable has been reversed where 7 means most democratic and 1 means least democratic.</td>
<td>4.05</td>
<td>6.56</td>
<td>5.68</td>
<td>0.591</td>
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<td>Polity IV</td>
<td>The Polity IV project produces an annual democracy measure for all of the world's states, covering the period from 1800 to present.</td>
<td>The Polity IV &quot;democ&quot; variable ranges from 0 to 10 with 0 being least democratic and 10 being most democratic.</td>
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<td>9.19</td>
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<td>Unified Democracy Scores (UDS)</td>
<td>The annual Unified Democracy Scores (UDS) measures the degree of democracy for all states in the world by &quot;averaging&quot; 10 indices of democracy after rescaling the 10 indices along a common scale. Covers the period from 1946 to present.</td>
<td>Theoretically the UDS variable can range from -25 to 35, although the negative scores are associated with the entrenchment of anti-democratic/authoritarian forces, while the positive scores are associated solely with the entrenchment of democratic forces.</td>
<td>4.68</td>
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<td>The Economist Intelligence Unit (EIU) Democracy index measures the degree of democracy in all states of the world. This index has been produced since 2006.</td>
<td>The EIU Democracy index ranges from 1 to 10 with 1 being least democratic and 10 being most democratic.</td>
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<td>The Bertelsmann Stiftung’s Transformation Index (BTI) Democracy score measures the development of democracy in all states of the world undergoing a political and economic transformation. The index has been produced biennially since 2003.</td>
<td>The BTI Democracy score ranges from 1 to 10 with 1 being least democratic and 10 being most democratic.</td>
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<td>The BTI Management Index ranges from 1 to 10 with 1 being bad management and 10 being good management.</td>
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<td>The World Heritage Foundation (WHF) Index of Economic Freedom measures the degree of economic freedom in all states of the world from 1995 to present.</td>
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<td>64.09</td>
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<td>The &quot;voter turnout&quot; variables measures the percentage of voters voting on election day for the national assembly in the respective states of this study. Source: Institute for Democracy and Electoral Assistance (IDEA)</td>
<td>This variable is expressed in percentage of total registered voters.</td>
<td>32.37</td>
<td>84.25</td>
<td>58.6</td>
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<td>Unemployment rate. Source: Eurostat</td>
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<td>Constant Growth rate expressed in constant prices. Source: IMF</td>
<td>Expressed in percentage.</td>
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<td>11.74</td>
<td>3.89</td>
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<td>GDP per Capita expressed in PPP. Source IMF.</td>
<td>Expressed in thousands of dollars per capita.</td>
<td>5.33</td>
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<td>15.34</td>
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<td>Inflation rate. Source: World Bank</td>
<td>The inflation rate is measured as an annual percentage change in consumer prices. The data in this indicator had two extreme outliers. Bulgaria in 1997 with an inflation rate of 1058% and Romania in the same year with an inflation rate of 154%. The average for that year in the 8 CEE states (not including Bulgaria and Romania) was 10.5%. For this reason, the two extreme outliers were</td>
<td>-1.15</td>
<td>59.1</td>
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excluded from the analysis and were entered as missing data.

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<th>Variable</th>
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<th>Values</th>
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<td>Government Tax Revenue. Source: World Bank</td>
<td>This variable is measured as a percentage of total GDP.</td>
<td>11.38 23.93 17.02 3.035 132</td>
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<td>Total Government Expenditures. Source: Eurostat</td>
<td>This variable is measured as a percentage of total GDP</td>
<td>33.5 61.8 41.66 5.495 160</td>
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<td>Human Development Index</td>
<td>This variable is scaled from 0 to 1 with 0 being no human development to 1 being absolute human development. For the purpose of simplifying the analysis, this variable was rescaled from 0 to 10 with 10 being absolute human development.</td>
<td>7.09 8.92 8.17 0.3096 90</td>
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<td>Gender Inequality Index</td>
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<td>World Bank Voice and Accountability Indicator.</td>
<td>Voice and accountability 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.</td>
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<td>World Bank Political Stability Indicator.</td>
<td>Political Stability and Absence of Violence/Terrorism measures perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically-motivated violence and terrorism.</td>
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<td>World Bank Government Effectiveness Indicator.</td>
<td>Government effectiveness 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.</td>
<td>-6.23</td>
<td>11.9</td>
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<td>Transparency International Corruption Index.</td>
<td>This variable is scaled from 0 to 100 with 0 being highly corrupt and 100 being highly clean. For the purpose of simplifying the interpretation of results this variable has been rescaled form 0 to 10 with 10 being highly clean.</td>
<td>2.6</td>
<td>6.8</td>
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