

# Policy Perspectives on the EU in Today's Complex World: **Reframing the European Neighborhood Policy**

June 2018  
AGORA© Forum  
ULB, Brussels

Prepared by  
**Laura Gelhaus**  
**Marta Matrakova**  
**Johann Wolfswenger**



**GEM STONES**



European Joint Doctorate on  
Globalisation, Europe & Multilateralism -  
Sophistication of the Transnational Order,  
Networks, and European Strategies

**Rooted in original scientific research, AGORA© Fora endeavour to improve policy making by fostering suggestions based on academic research and effective dialogue among a limited number of participants hailing from the research, policy making and civil society communities.**

The rationale behind the GEM-STONES AGORA© Fora is to foster two-way interactions between the GEM-STONES's academic research and policy-making in the fields broached by the GEM-STONES' research agenda. This enables the GEM-STONES PhD Fellows to jointly reflect on their research in an inter-sectoral environment as they will be confronted by representatives from both the academic and non-academic sectors.

Roundtable 4 of the 2018 AGORA© Forum on «**The EU in Today's Complex World: Reframing the European Neighborhood Policy**» discussed the ways in which instruments deployed within the framework of the European (Eastern) Neighbourhood Policy have proven able to provide both the EU and the wider region with purposeful complex regime management. Accordingly, it assessed whether the ENP amounts to a legitimate and efficient "conscious efforts [by the EU] to address and improve institutional interactions" within its Eastern neighbourhood.

The following briefs, prepared by three MSCA-funded GEM-STONES Early Stage Researchers served as reference documents for discussions on some of the instruments characterizing the various dimensions of the EU's action in its neighbourhood, specifically the impact in the Eastern neighbourhood of:

- The common agricultural policy's LEADER program (ESR-2 Laura Gelhaus);
- The good governance principles tied into the accession process itself (ESR-12 Johann Wolfschwenger);
- The EU's democracy promotion efforts (ESR-15 Marta Matrakova)

Cover image:  
Jean-Michel Folon - Croisière dans la tasse

*This project receives funding from the European Union's Horizon 2020 Research and Innovation programme under the Marie Skłodowska-Curie Grant Agreement No 722826*



## ROUND TABLE 4 – Reframing the European Neighborhood Policy

### AUTHOR

Laura Gelhaus

GEM-STONES MSCA Doctoral Fellow  
University of Warwick (UK) & University of Geneva (CH)

Thesis: The external dimension of the Common Agricultural Policy: Shaping rural spaces in Georgia?

BRIEF ON LEADER AND ITS NON-EU VARIANTS



*This project receives funding from the European Union's Horizon 2020 Research and Innovation programme under the Marie Skłodowska-Curie Grant Agreement No. 722826*

*Learn more at:  
[www.gem-stones.eu](http://www.gem-stones.eu)*

### BACKGROUND OF THE STUDIED POLICY FIELD

The Common Agricultural Policy (CAP) is not only one of the oldest and most developed European policies, it is also one of the most criticised. So far, this criticism has often focused on the effects on non-member states' economies due to protectionism and market interventions especially of earlier CAP regimes. Yet, instruments rather focused on rural development and thus rural spaces have been largely neglected in research. Nonetheless, lately both policy makers' attention and resources have shifted towards this dimension, warranting a closer analysis.

Interestingly, the vision the EU, as formulated mainly by DG AGRI, of vibrant, competitive rural areas, is not only promoted within the EU but increasingly in non-member states, especially in the neighbourhood. The thesis focuses especially on two instruments that are viewed as contributing to rural development and are externalized to non-EU, including ENP countries: the EU approach towards the protection of geographical indications (GIs) and the ENPARD programme, inspired by the European LEADER approach. This policy brief engages with the LEADER method and its non-EU applications.

### BACKGROUND OF EU ACTIONS IN THE STUDIED POLICY FIELD

Responding to criticisms of the CAP outlined above, LEADER (Liaison entre actions de développement de l'économie rurale), best characterized as an area-based rural development programme has been implemented as a possible answer from 1991. Generally, LEADER's central contribution to rural development policies was the (intended) inclusion of local people in design and implementation of development activities that can span the construction of community centres, the support of local fairs, photo contests etc.. Contrary to traditional development programmes, the inclusion of a variety of local actors with a stake in the area allegedly avoids errors in diagnosing problems and opportunities as well as motivating innovative, efficient, and sustainable actions (Shucksmith 2010: 2; Papadopoulou et al. 2011: 665).

One central feature of LEADER has been the construction of Local Action Groups (LAGs) which can be best described as local public-private partnerships that should encompass representatives of local public and private socio-economic interests such as farmers, businesspeople, their associations, local authorities, voluntary organisations and local citizens more generally.

Due to its perceived successes, the LEADER method has been exported to various non-EU countries, including accession and candidate countries as well as countries in the Southern and Eastern Neighbourhood. Crucially, Commissioner Hogan explains the active promotion of the approach outside the EU as "LEADER has been recognized worldwide as best practice when it comes to empowering local communities to actively design and implement their own development strategies" (European Commission 2017: 3).

Albeit under different names, funding instruments, and sometimes with a clearer orientation towards agriculture than in the EU, the main aim, the engagement of a rural community to trigger a sense of ownership and more sustainable rural development processes and the constitution of LAGs has remained the same. Past and present programmes involving the LEADER method include:

- SAPARD (Special Accession Programme for Agriculture and Rural Development): new member states;
  - IPARD (Instrument for Pre-Accession Assistance in Rural Development): currently Albania, Macedonia, Montenegro, Serbia, Turkey;
  - ENPARD (European Neighbourhood Programme for Agriculture and Rural Development): Southern and Eastern ENP.
- Giving an example of implementation in the Neighbourhood, ENPARD in Georgia is supported by the European Neighbourhood and Partnership Instrument with a budget of €179.5 million from 2013 – 2022. Broadly, ENPARD Georgia supports capacity building, improving employment and living conditions for rural people as well as promoting diversified socio-economic opportunities in rural areas particularly for women and young people. To this end, several LAGs have been created in pilot-regions, in partnership with partners such as the UNDP, CARE International, Oxfam and Caritas Czech Republic. Finally, LEADER can also be externalized to any country through transnational joint projects. In these partnerships, a EU-LAG cooperates with a group from a non-member state, e.g. to organize exchange visits or a specific project (Ray 2002: 280; European Communities 2006: 14). Whilst some examples exist in the cooperation with groups from e.g. Cape Verde, Norway and Honduras exist, these partnerships are rare due to bureaucratic and financial obstacles (European Network for Rural Development Contact Point 2014: 17; 78; 94; 130).

## SWOT ANALYSIS OF EU ACTIONS IN THE STUDIED POLICY FIELD

The main strength of LEADER, at least theoretically, is the potential tailoring to each rural area and the increased felt ownership over rural development by local people. In turn, LEADER is believed to benefit formerly rather marginalized groups including women and young people to actively participate in the development of “their local areas” (European Commission 2017: 3). Supporting this in the non-EU context, Kopoteva and Nikula’s study of a LEADER pilot in Russia revealed a change in attitude during village meetings from pessimistic to a desire to act even without financial support (2014: 109) and that the objective of activating local people to cooperate towards a common interest was successful (2014: 114). In Georgia, Oedl-Wieser, Day and Fischer found a high degree of acceptance of and interest in LEADER by local people, enthusiastic to participate in rural development projects (Oedl-Wieser et al. 2017: 48; 53). Similarly, Skyala et al. highlight the potential to involve groups without sufficient clout or political background in the shaping of local rural development in Georgia (Skyala et al. 2015: 18). Importantly, the authors anticipate more targeted, efficient and sustainable rural development to follow from a sense of responsibility amongst the activated Georgian rural population compared to top-down aid (Skyala et al. 2015: 17).

Yet, despite these positive results, the inclusiveness of LEADER-style programmes should remain an object of empirical enquiry rather than an ex-ante assumption, especially considering problems highlighted by the academic literature for EU-countries and beyond.

Although LAGs are meant to be well-balanced and representative, they have been frequently described as benefiting especially local elites. This includes the mobilization especially of young, English-speaking university graduates who view LEADER as career opportunity, local politicians or well-organised large-scale farmers (Maurel 2008: 15; Csurgó & Kovach 2016: 69, 74; Kourtellis 2018: 34).

In turn, elite capture disadvantages those not part of this group, which can include, depending on the context, women (Esparcia et al. 2016: 46; Thuesen & Derkzen 2016: 143; Bock 2015 731), young people (Shucksmith 2000: 209), ethnic minorities (Morell 2016) or simply those with differing opinions to the LAG-majority, so-called “troublemakers” (Nouisainen 2016: 105).

One factor that contributes to this lack of inclusiveness is the high bureaucratisation of the programme, despite it being promoted as bottom-up and local. This includes the high administrative and financial burdens for local areas, LEADER being co-financed by local actors. Consequently, actors and regions without sufficient resources are frequently excluded from the programme (e.g. Csurgó & Kovach 2016: 68). Additionally, managing the application and administration processes require skills not held universally, again frequently benefitting actors belonging to the local elite (Kopoteva & Nikula 2014: 105; Ray 1998: 84).

Further, the degree of autonomy and inclusiveness of LAGs depends heavily on governments’ stance towards local development (Granberg et al. 2016: 8). For example, when governments perceive NGO actors as rivals, the LEADER method has little potential of including a wide spectre of the local society. On the other hand, distrust in government or, connectedly, certain negative historical experiences, can explain a lack of local people’s cooperation. One example for this is the reluctance of people in Georgia to organize in cooperatives, which are promoted by ENPARD.

## RECOMMENDATIONS

The most important step to improve the (external) governance of LEADER is a more comprehensive evaluation focusing especially on who participates in the programmes, who benefits from it and importantly who does not. To emphasize the limited evaluation of consequences, a Commission document states that the “[...] success of the approach is demonstrated by the more than 2300 local action groups now operating across the EU [...]” (European Commission 2014: 5). Hence, rather than evaluating content or quality of actions, success is understood as application, clearly undermining a deeper understanding of implications. The first measure towards this could be the departure from assuming homogenous ‘rural communities’. Whilst the local-based LEADER approach at least in theory understands the heterogeneity across rural areas, internal heterogeneities are rarely mentioned in policy documents referring to LEADER. Yet, understanding local power dynamics is vital in achieving balanced endogenous rural development that not only benefits elites.

Consequently, more attention needs to be paid to the inclusiveness of the instrument. One action towards this could be further flexibilization when it comes to LAG’s administrative duties. Further, co-funding requirements could be relaxed for projects implemented by non-elite, marginalized actors lacking financial capacities. Finally, there needs to be a renewed appreciation of LAG processes as political and a move away from an obsession with consensus decisions which are likely to completely exclude ‘troublemakers’ and marginalized groups from the process.

## SUGGESTED READINGS

- Bock, B. 2015. Gender mainstreaming and rural development policy; the trivialisation of rural gender issues. *Gender, Place & Culture*, 22(5), 731–745.
- Csurgó, B. and Kovách, I. 2016. The LEADER Programme in Hungary - Bottom-up Development with Top-down Control? In: L. Granberg, K. Andersson, and I. Kovách, eds. *Evaluating the European approach to rural development: grass-roots experiences of the LEADER programme*. London; New York: Routledge, pp. 53–77.
- Esparcia, J., Escribano, J. and Buciega, A.. 2016. A Perspective of LEADER Method in Spain Based on the Analysis of Local Action Groups. In: L. Granberg, K. Andersson, and I. Kovách, eds. *Evaluating the European approach to rural development: grass-roots experiences of the LEADER programme*. London; New York: Routledge, pp. 33–51.
- European Commission. 2017. *Pathways to Leader. A guide to getting the LEADER approach up and running in the Western Balkans, Turkey and beyond* [online]. Agriculture and Rural Development. Available from: [https://ec.europa.eu/agriculture/enlargement/assistance/documents\\_en](https://ec.europa.eu/agriculture/enlargement/assistance/documents_en) [Accessed 10 Apr 2018].
- European Network For Rural Development Contact Point. 2014. *The State-of-play of the Implementation of Rural Development Programme Measure 421 in the EU-27. Final Report* [online]. Available from: [https://enrd.ec.europa.eu/leader/transnational-cooperation\\_en](https://enrd.ec.europa.eu/leader/transnational-cooperation_en) [Accessed 11 Apr 2018].
- Kourtelis, C. 2018. From Neglect to Selective Engagement: The EU Approach to Rural Development in the Arab Mediterranean after the Arab Uprisings. *Mediterranean Politics*, 23(1), 23–42.
- Maurel, M.-C. 2008. Local Development Stakeholders and the European Model: Learning the LEADER Approach in the New Member States. *Sociologický časopis / Czech Sociological Review*, 44(3), 511–529.
- Morell, I.A. 2016. Can Renewable Energy Contribute to Poverty Reduction? A Case Study on Romafa, a Hungarian LEADER. In: L. Granberg, K. Andersson, and I. Kovách, eds. *Evaluating the European approach to rural development: grass-roots experiences of the LEADER programme*. London; New York: Routledge, pp. 183–206.
- Nikula, J. and I. Kopoteva. 2014. From Social Innovation to Innovation System: LEADER in European and Russian Rural Areas. *Мир России*, 3, 95–123.
- Nousainen, M. 2016. A political Perspective on LEADER in Finland - Democracy and the Problem of 'Troublemakers'. In: L. Granberg, K. Andersson, and I. Kovách, eds. *Evaluating the European approach to rural development: grass-roots experiences of the LEADER programme*. London; New York: Routledge, Taylor & Francis Group, pp. 95–110.
- Oedi-Wieser, T., T. Dax, and M. Fischer. 2017. A new approach for participative rural development in Georgia – reflecting transfer of knowledge and enhancing innovation in a non-European Union context. *Studies in Agricultural Economics*, 119(1), 48–54.
- Papadopoulou, E., N. Hasanagas, and D. Harvey. 2011. Analysis of rural development policy networks in Greece: Is LEADER really different? *Land Use Policy*, 28(4), 663–673.
- Shucksmith, M. 2000. Endogenous Development, Social Capital and Social Inclusion: perspectives from leader in the UK. *Sociologia Ruralis*, 40(2), 208–218.
- Shucksmith, M. 2010. Disintegrated Rural Development? Neo-endogenous Rural Development, Planning and Place-Shaping in Diffused Power Contexts: Disintegrated rural development? *Sociologia Ruralis*, 50(1), 1–14.
- Sykała, Ł., M. Dej, and O. Wolski. 2015. *The Leader Method: Transferring Experience of the Visegrad Group Countries to Georgia*. Institute of Urban Development.
- Thuesen, A.A. and P. Derksen. 2016. Questioning the Gender Distribution in Danish LEADER LAGs. In: L. Granberg, K. Andersson, and I. Kovách, eds. *Evaluating the European approach to rural development: grass-roots experiences of the LEADER programme*. London; New York: Routledge, pp. 127–147.



## ROUND TABLE 4 – Reframing the European Neighborhood Policy

### AUTHOR

Laura Gelhaus

GEM-STONES MSCA Doctoral Fellow  
University of Warwick (UK) & University of Geneva (CH)

Thesis: The external dimension of the Common Agricultural Policy: Shaping rural spaces in Georgia?

BRIEF ON GEOGRAPHICAL INDICATIONS



*This project receives funding from the European Union's Horizon 2020 Research and Innovation programme under the Marie Skłodowska-Curie Grant Agreement No. 722826*

*Learn more at:  
[www.gem-stones.eu](http://www.gem-stones.eu)*

### BACKGROUND OF THE STUDIED POLICY FIELD

The Common Agricultural Policy (CAP) is not only one of the oldest and most developed European policies, it is also one of the most criticised. So far, this criticism has often focused on the effects on non-member states' economies due to protectionism and market interventions especially of earlier CAP regimes. Yet, instruments rather focused on rural development and thus rural spaces have been largely neglected in research. Nonetheless, lately both policy makers' attention and resources have shifted towards this dimension, warranting a closer analysis.

Interestingly, the vision the EU, as formulated mainly by DG AGRI, of vibrant, competitive rural areas, is not only promoted within the EU but increasingly in non-member states, especially in the neighbourhood. The thesis focuses especially on two instruments that are viewed as contributing to rural development and are externalized to non-EU, including ENP countries: the EU approach towards the protection of geographical indications (GIs) and the ENPARD programme, inspired by the European LEADER approach. This policy brief engages with geographical indications.

### BACKGROUND OF EU ACTIONS IN THE STUDIED POLICY FIELD

Broadly, geographical indications offer protection for foods or drinks associated in quality characteristics or reputation with a specific geographic location, with prominent examples including Parma Ham, Feta, Champagne and Tequila (Lamarque & Lambin 2015: 706). Advocates argue that those products can only be made in a certain place by certain people, appealing to associations of authenticity and quality to motivate consumers to pay price premiums on these products (Besky 2013: 99; Ilbery & Kneafsey 2000: 217).

In the EU, various types of GIs exist. For foodstuffs, the two labels "Protected Designation of Origin" (PDO) and "Protected Geographical Indication" (PGI; Regulation 1151/2012), as well as separate protection for wines (1308/2013) and spirits (251/2014) respectively connect products to locations. In total, over 4500 EU and non-member products are listed in the respective databases DOOR (foods and drinks), E-Bacchus (wines), and E-Spirit-Drinks (spirits). Since the introduction of EU-level GI-protection in regulation 2081/92, it has become the most institutionally developed GI-system in the world. Being incapable of anchoring the EU-style GI-protection on the global level, with the US and aligned countries favouring a trademark system over sui generis protection for place-based products, the EU has expanded the system in three alternative ways.

1. Trade agreements: GI-sections are a crucial part of any EU-non-member trade agreement, including Association Agreements.
2. Spill over due to the perceived European success in generating increased revenue for GI-products (e.g. Darjeeling, Coorg coffee, Tequila): producers or relevant authorities in non-member states apply for protection in the EU.
3. GIs as a development tool: the EU applies GIs as an instrument for development, supporting Caribbean, African and Pacific countries in the creation of GI-systems. In fact, this development framing is extremely present in the EU's image of GIs benefitting entire regions, as will be outlined in the SWOT analysis.

## SWOT ANALYSIS OF EU ACTIONS IN THE STUDIED POLICY FIELD

The main strength of geographical indications as a European model is the widespread belief in its benefits that led to an increase in applications around the world (Lambin et al. 2014: 133). In fact, case studies, especially of French GIs present impressive opportunities the system offers. Arguably, in a time where consumers are wary of mass-production, place-based products can realize higher prices, in turn shielding small, family farmers especially in otherwise marginal production areas (e.g. mountains) from extinction through global competition.

Importantly, another argument is the crucial cultural component of GI-products, opposing the standardizing forces of globalization by (re-)connecting people to food and place. In fact, this has been equated to protecting local languages or species from extinction (Gade 2004: 848). In turn, the entire region can benefit from a GI, as rural areas, formerly associated negatively with backwardness, are reframed as areas of traditional know-how. This can have various benefits including:

- Increased tourism potential
- Spill-overs of the positive image of the region to other products
- Combating rural depopulation

However, the academic literature has highlighted that the consequences in practice are not universally positive, especially when applied in a non-French or even non-European context. Yet, so far, the EU-stance seems at best ignorant of these potential negative impacts especially on the micro-level. Rather, the external governance of GI is understood a success as long as EU products are protected and a GI-system is implemented in a non-member state. The benefits of GIs are assumed rather than evaluated.

Many of the observed negative consequences follow from the romanticisation of rural spaces that follow products' connection to a place and its people. Generally, GIs gloss over heterogeneities or exploitative practices. One central example for this is the Darjeeling GI, where the often exploitative labour of Nepalese workers on industrial tea plantations, created in colonial times, is reframed as artisanal production (Besky 2013). Additionally, through the glorified way GIs are marketed (artisanal, ethical, small scale production), consumers wrongly internalize these romanticized images, which becomes especially clear once scandals such as recently regarding Parma Ham reveal GIs as not more as legal protection for products connectible to geographic locations.

A second groups of problems relates to the creation of borders through the delimitation of GI areas. First, it can trigger processes of Gastronationalism (DeSoucey 2010) where national identity is propped against perceived threats from the outside, e.g. globalization with potentially divisive, elitist and xenophobic implications. Secondly, GIs create material boundaries regarding who is allowed to produce a certain GI-product. Yet, these boundaries are often drawn by producers themselves, facilitating strategic moves to exclude competitors (Barham 2003: 136).

Finally, the believed protection of small-scale artisanal farmers does not always materialize in practice as either larger regional producers or multinational companies profit most. For instance, richer, large producers more able of tackling the administrative burdens connected to GI-protection and consequently are in a better position of drawing the production boundaries. Additionally, multinational corporations have been observed to appropriate formerly traditional products. In the central case of Tequila, transnational liquor companies have taken over, obtaining land from farmers or pressuring them to enter into contracts with little positive impact on incomes. In turn, local agave farmers and small-scale tequila producers have been increasingly excluded from the supply chain (Bowen & Zapata 2009; Bowen 2015).

## RECOMMENDATIONS

The central recommendation towards the EU's external governance of GIs is to be aware of the broad array of potential consequences the instrument can have rather than blindly assuming the benefits GIs can have for rural development will materialize universally. Thus, evaluation needs to be inductive and include a micro-level assessment for each (potential) GI. Consequently, the GI-system needs to be designed to address exploitative practices rather than glorify them and protect small farmers from being excluded by a measure that is believed to benefit them. Finally, there should be some constraint in marketing the GI-system as more than it is: a legal protection for products connectible to a specific geographic location to avoid processes of romanticisation which can mask exploitative practices for consumers.

## SUGGESTED READINGS

- Barham, E. 2003. Translating terroir: the global challenge of French AOC labeling. *Journal of Rural Studies*, 19(1), 127–138.
- Besky, S. 2014. The Labor of Terroir and the Terroir of Labor: Geographical Indication and Darjeeling Tea Plantations. *Agriculture and Human Values*, 31(1), 83–96.
- Bowen, S. 2015. *Divided spirits: tequila, mezcal, and the politics of production*. Oakland, California: University of California Press.
- Bowen, S. and Zapata, A. 2009. Geographical indications, terroir, and socioeconomic and ecological sustainability: The case of tequila. *Journal of Rural Studies*, 25, 108–119.
- DeSoucey, M. 2010. Gastronationalism: Food Traditions and Authenticity Politics in the European Union. *American Sociological Review*, 75(3), 432–455.
- Gade, D.W. 2004. Tradition, Territory, and Terroir in French Viniculture: Cassis, France, and Appellation Contrôlée. *Annals of the Association of American Geographers*, (4), 848-867.
- Ilbery, B. and Kneafsey, M. 2000. Producer constructions of quality in regional speciality food production: a case study from south west England. *Journal of Rural Studies*, 16(2), 217–230.
- Lamarque, P. and Lambin, E. 2015. The effectiveness of marked-based instruments to foster the conservation of extensive land use: The case of Geographical Indications in the French Alps. *Land Use Policy*, 42, 706–717.
- Lambin, E., Meyfroidt, P., Rueda, X., Blackman, A., Börner, J., Cerutti, P., Dietsch, T., Jungmann, L., Lamarque, P., Lister, J., Walker, N., and Wunder, S. 2014. Effectiveness and synergies of policy instruments for land use governance in tropical regions. *Global Environmental Change*, 28, 129–140.



## ROUND TABLE 4 - Reframing the European Neighborhood Policy

### AUTHOR

Johann Wolfschwenger

GEM-STONES MSCA Doctoral Fellow  
 Université de Genève (CH) & Université libre de Bruxelles (BE)

johann.wolfschwenger@gem-stones.eu



*This project receives funding from the European Union's Horizon 2020 Research and Innovation programme under the Marie Skłodowska-Curie Grant Agreement No. 722826*

*Learn more at: [www.gem-stones.eu](http://www.gem-stones.eu)*

### BACKGROUND OF THE STUDIED POLICY FIELD

The dissertation draws into question the conceptualization of the functioning of the EaP and its policy instruments wielding transformative power by the logic of consequences and the logic of appropriateness. The dissertation argues that the geopolitical as well as the domestic context in the neighbourhood countries are fundamentally different to those of the Central and East European countries and largely the Balkans. In order to understand the full effects of EaP impact the analysis utilizes a region building perspective which allows understanding the interlinkage of regional and domestic factors. Neither can a rivalry between Russia and the EU be explained without considering the geopolitical choices of the countries 'in-between', nor can domestic politics of the countries 'inbetween' be explained without considering the external actor's policies and their impact. The dissertation develops a theoretical framework to understand Europeanization not in the traditional way as a process of norm and value – possibly identity – transfer through socialization and conditionality but as a process of impacting political practices (rites, speech acts and more generally discourses) in the target country and 'transnationalizing' domestic power struggles embedded in those discourses and practices.

By scrutinizing the case of Moldova the dissertation emphasises an unintended consequence of competitive region-building in the neighbourhood. That is that domestic actors increasingly struggle over a foreign policy identity which is strongly rooted in perceptions of the national identity. As outlined below these unintended dynamics of competitive region-building may challenge political stability in those countries and hamper a transformative process.

### BACKGROUND OF EU ACTIONS IN THE STUDIED POLICY FIELD

The Eastern Partnership (EaP) was launched in 2009 as a specific policy framework under the European Neighbourhood Policy (ENP). It allows for deeper bilateral co-operation with, and more differentiation between the six EaP-countries (Moldova, Ukraine, Belarus, Azerbaijan, Armenia and Georgia). The policy development towards the EaP-countries are guided by the 2015 EaP review and the 2016 Global Strategy, which sets the focus on objectives such as achieving stability and societal resilience in the neighbourhood countries. The EaP unfolds on a bilateral track and a multilateral track. Bilaterally, each country opts for a different degree of political association with the EU. The frontrunners are Moldova, Ukraine and Georgia which have signed an Association Agreement (AA) with the EU in 2014, including a Deep and Comprehensive Free trade Area (DCFTA). This Association Agreements represent heavy-burdening governance packages through which a significant part of the EU's *acquis* is adopted by the partner countries. Relations with Armenia and Azerbaijan are governed by less ambitious agreements. While in the case of Azerbaijan a Partnership and Cooperation Agreement (PCA) is in place from 1999, Armenia opted for a middle-way signing a Comprehensive and Enhanced Partnership Agreement (CEPA) in 2017 which is less ambitious than the AA and does not establish a free-trade area with the EU. The bilateral track is mainly concerned with the implementation of those agreements and a reform-driven domestic reform agenda. In addition, four out of six EaP countries are receiving macro-financial assistance (MFA) with the aim of stabilizing their national budgets. The multilateral track aims at fostering links and regional cooperation among partner countries and between them and the EU Member States. Unlike the bilateral track the multilateral track is more politicized and usually produces declarations of intent rather than concrete implementable action plans. Key fora are the biannual EaP summits in which the heads of governments of EU member states and EaP-states convene and meetings on a ministerial and senior official level. The last EaP-Summit in Brussels in 2017 brought a substantial revision focusing on the delivery of tangible results for citizen sets out 20 deliverables in four priority areas (stronger economy, stronger governance, stronger connectivity, and stronger society).

As illustrated by the ENP review from 2015 and the EaP summit in Brussels in 2017, the evolution of EU policies in the past years has shown significant downgrading of expectations towards the stipulation of realistic deliverables. This indicates high awareness on parts of EU policy-makers of the complex domestic and geopolitical environment these policies operate in (of which some issues will be outlined below) and lessons learned from previous experience (i.e. the Balkans).

## SWOT ANALYSIS OF EU ACTIONS IN THE STUDIED POLICY FIELD

### EU action and geopolitics

The EU maintains a strategic ambiguity towards the Eastern neighbors that make the region vulnerable in the present geopolitical situation. This ambiguity stems on the one hand from the relatively novel situation that the EU's integration agenda is strongly challenged by Russia's antagonistic integration project, based on different values and world views. It has become clear in recent years that the Kremlin's policies matter when determining the outcome of EU policies on the ground (Delcour 2017). Despite efforts to mitigate Russian skepticism (e.g. rounds of consultations with Moscow before the signature of the AA with Ukraine), the EaP is considered a bilateral issue between the EaP-countries and the EU. Internally, the ambiguity is enforced not only due to the fact that the EU itself undergoes a phase of 'consolidation' (i.e. Brexit and the rise of Eurosceptic forces within Europe) but also in its division over how to deal with Russia (hardliner versus 'Putinversteh'er'). As a result of the strategic ambiguity geopolitics, a security dimension or a Russian factor are largely neglected in the EaP's strategic documents. Nevertheless they play an important role on the ground as the following sections will illustrate.

### EU action and domestic politics

First, geopolitics has captured domestic political discourses. The EU's transformative power is heavily dependent on domestic reform coalitions which are comprised by pro-European parties and a strong Western donor funded civil society sector. On a domestic level often those 'pro-EU reformers' stand against a camp of EU-sceptics that are supporting a balanced foreign policy orientation between the East and the West (e.g. President Igor Dodon in Moldova and formerly President Yanukovich in Ukraine). Especially after Russian aggression in Georgia (2008) and Ukraine (2014) the domestic political discourses have strongly shifted towards nation-building agenda which tends to essentialise foreign policy discourses and has provided EU-integration with enormous 'symbolic power'. The resulting polarization finds expression in the ongoing identity struggle in Moldova as well as highly polarized election campaigns in Georgia, Moldova and Ukraine. Hence, regional geopolitics risks nurturing nation-building cleavages with some problematic implications for national unity, the treatment of national and lingual minorities.

Second, in terms of democracy promotion Moldova and Georgia find themselves in a situation of state-capture. Two oligarchs, Vlad Plahotniuc in Moldova and Bidsina Ivanishvili in Georgia, pull the strings from behind the political scenes. Holding no official governmental office they act outside democratic control and institutional checks and balances, relying on shadowy informal power structures mainly based on their wealth. The EU's state-building instruments providing comprehensive technical support for institutional-building and positive conditionality have proven relatively inefficient against such informal power structures. At the same time the increasing geopolitical polarization between 'pro-European' reform coalitions and 'pro-Russian' conservatives may be beneficial for those oligarchs as they can portray themselves as much-needed 'stable anchors' in turbulent times (see the concept of 'stabilitocracies' specified by the Balkans in Europe Policy Advisory Group 2017) or can distract from their corrupt practices by shifting a domestic political discourse towards geopolitics. An example is the sudden 'pro-Moldova'-shift of Vladimir Plahotniuc's Democratic Party during the 2019 election campaign. Hence, the EU risks that the enormous 'symbolic power' that European integration enjoys is misused by domestic political elites for their own political gains.

### EU action and economic development

In terms of economic developments the DCFTA is unlikely to deliver the expected results in the short-and medium-term. This is due to the enormous costs of adaption resulting from, for example, the implementation of EU standards, labor market transformations and the level of investment necessary for modernization, which have been underestimated in the course of the DCCFTA negotiations (for details see Adarov 2016). Moreover, it is rather geopolitical dynamics which drive regional and interregional trade dynamics and not proven efficiency of economic and trade policies of the DCFTAs. While the reorientation of exports to the EU on the expense of Russia is often referred to as a measure of success of the DCFTA it is rather accurate to state that the trade liberalization with the EU has successfully compensated for the losses, that especially Ukraine and Moldova had suffered from the Russian trade policies towards the neighbourhood countries. For example, Ukrainian's industrial sector, mainly located in East Ukraine had supply chains oriented towards Russia, following GOST instead of EU standards. These chains have been severely disrupted by Russia's embargoes and the looming conflict in eastern Ukraine (European Parliament 2018, 35). In Moldova, similar effects are observed by Russia's ban of agricultural products starting from 2013 (European Parliament 2018, 55). What is more, a successful implementation of the DCFTA requires political stability as much as it requires reform willingness. As a result, there is the risk of an increasing gap between the substantial contributions of the association process on the ground in economic and democratic terms and the high symbolic value that EU integration enjoys.

### Conclusion

The limited substantial performance in terms of democratic transition and economic development stands against the high symbolic power of EU integration stemming from the growing importance of nation-building discourses. The EU has maneuvered itself in a dilemma: on the one hand nurturing the 'European aspirations' of the eastern partners while at the same time possessing only limited control over domestic and geopolitical dynamics that determine the effectiveness of the reform process. Given the heterogeneity of geopolitical orientations among the EaP-countries (e.g. Belarus on the one hand and Georgia and Ukraine on the other) a common institutionalization of European aspirations and transformation process is unworkable anyway. Mitigating the strategic ambiguity and ensuring geopolitical stability should be the priorities of EU action in the eastern neighbourhood as the successful implementation of the bilaterally agreed reform agendas with each of the six neighbourhood countries depend on that. Clearly there is an institutional framework missing in which a geopolitical and security dimension of the EaP can be efficiently addressed. The multilateral track of the EaP should serve as such a framework.

## RECOMMENDATIONS

In order to resolve the strategic ambiguity the EU should better separate a value- and reform-driven bilateral track from a geopolitically dominated multilateral track of the EaP. This is meant to de-politicize the domestic discourses and domestic reform processes.

The multilateral track should be re-conceptualized as a multilateral forum of regional co-operation operating completely outside the shadow of enlargement. The focus should be put on high-politics such as regional stability and regional economic cooperation and should therefore also include an honest discussion of the security dimension and the Russian factor, as this is the main factor of political (in-)stability in the region.

In the absence of a clear membership perspective the bilateral track should be kept slim and flexible, and strictly value- and reform-driven. This means that the EU moves away from broad integration-driven conditionality stipulated in the AA/DCFTA towards sector-specific conditionality. This enables the EU to establish durable modes of political cooperation but also quickly react to domestic political developments.

In economic terms the EU should not underestimate the enormous costs of making trade agreements beneficial for the people on the ground. With regards to partners that are not yet in a Free Trade Area with the EU an enhancement of Autonomous Trade Preferences (ATP) or Generalized Systems of Preferences (GSP) should be considered more thoroughly instead of a costly agenda for economic liberalization stipulated in the DCFTA.

## SUGGESTED READINGS

Adarov, Amat; Havlik, Peter. 2016. "Benefits and Costs of DCFTA: Evaluation of the Impact on Georgia, Moldova and Ukraine." The Vienna Institute for International Economic Studies and Bertelsmann Stiftung.  
<https://wiiw.ac.at/benefits-and-costs-of-dcfta-evaluation-of-the-impact-on-georgia-moldova-and-ukraine-dlp-4111.pdf>.

Balkans in Europe Policy Advisory Group, BiEPAG. 2017. "The Crisis of Democracy in the Western Balkans. Authoritarianism and EU Stabilitocracy."  
<http://www.biepag.eu/publications/the-crisis-of-democracy-in-the-western-balkans-authoritarianism-and-eu-stabilitocracy/>.

Delcour, Laure. 2017. The EU and Russia in Their 'Contested Neighbourhood'. Multiple External Influences, Policy Transfer and Domestic Change. Abingdon: Routledge.

European Parliament. 2018. "The state of implementation of the associations and free trade agreements with Ukraine, Georgia and Moldova with a particular focus on Ukraine and systemic analysis of key sectors." Directorate-General for External Policies.  
[http://www.europarl.europa.eu/RegData/etudes/STUD/2017/603836/EXPO\\_STU\(2017\)603836\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2017/603836/EXPO_STU(2017)603836_EN.pdf).

## ROUND TABLE 4 – Reframing the European Neighborhood Policy

### AUTHOR

Marta Matrakova

GEM-STONES MSCA Doctoral Fellow  
 Université libre de Bruxelles (BE) & LUISS Guido Carli di Roma (IT)

marta.matrakova@gem-stones.eu

Title of the thesis: "Political Transitions in the EU-Russia Shared Neighbourhood: Towards free and equal democracies in Armenia, Georgia and Moldova"



*This project receives funding from the European Union's Horizon 2020 Research and Innovation programme under the Marie Skłodowska-Curie Grant Agreement No. 722826*

*Learn more at:  
[www.gem-stones.eu](http://www.gem-stones.eu)*

### BACKGROUND OF THE STUDIED POLICY FIELD

The reduced speed of EU integration and its limited leverage in the last ten years, has been paralleled by growing assertiveness on the side of the Russian Federation. The presence of two alternative regional integration frameworks, the EU and the Eurasian Economic Union increases the perception that the countries in the shared neighbourhood need to make a geopolitical choice. On one side, the implications of domestic reforms and the potential consequences of external democracy promotion or obstruction are increasingly interpreted in terms of the broader geopolitical dynamics in the region. On the other side, domestic actors have access to different value-based and cost-benefit arguments on the basis of their position in the national, regional and international context. Such resources are instrumentally used in the domestic political struggle with the aim to support or reverse democratic political reforms. Consequently, the recent trends of parallel external influence exerted by regional powers has the potential to deepen or weaken the democratic qualities of the neighbouring political regimes.

The EU and Russia have adapted their external policy approach to the conditions of the different target countries, which provides them with more opportunities for cooperation. However, both long-term political reforms and spontaneous 'colour revolutions' had limited medium-term consequence in terms of democratisation and did not live up to the expectations posed by many domestic and international actors. Important antidemocratic hindrances, as corruption, oligarchic influence and lack of implementation of key reforms remain as key obstacles for democratisation and for external efforts for democratic support.

### BACKGROUND OF EU ACTIONS IN THE STUDIED POLICY FIELD

The EU democracy support in Armenia, Georgia and Moldova has developed under the framework of the European Neighbourhood Policy (ENP), which initially was based on the idea of establishing a "ring of well governed countries" around the borders of the EU (European Council 2003). The founding documents of the ENP and the Eastern Partnership (EaP) aim to support democracy and stability in the region, in addition to social and economic development. As a consequence of the lack of progress and the challenges evidenced by the Arab Spring, the EU discourse shifted briefly towards the support of "deep democracy" (European Commission and HR/VP for Foreign Affairs and Security Policy 2011: 3).

However, in 2015 the European Commission recognized that "today's neighbourhood is less stable than it was ten years ago" and defined stabilisation as "the most urgent challenge" (European Commission and High Representative of the European Union 2015a: 1; European Commission and High Representative of the European Union 2015b: 3). The link between stability, democracy and economic growth has been reinforced, as a consequence of the events that took place in Ukraine and Crimea in 2014 (European Commission and High Representative of the European Union 2015b: 2). The respect of universal values as democracy, rule of law and human rights is fostered through more "effective ways to promote reforms [...] in mutually agreed format" (European Commission and High Representative of the European Union 2015b: 5). In addition, the 2015 ENP Review strengthened the differentiation between the domestic conditions and adopts a differentiated, tailor-made approach that focuses on fewer priorities. Consequently, social and institutional actors in the region have access to a broad variety of policy tools that serve as a basis for building cooperation, which includes both multilateral and bilateral (contractual) cooperation frameworks, parliamentary collaboration, civil society support and technical assistance.

## SWOT ANALYSIS OF EU ACTIONS IN THE STUDIED POLICY FIELD

### Strengths:

- The use of more flexible and country-specific funding instruments seeks the adaptation of the ENP and the EaP to the domestic conditions in the three countries, which is expected to increase the policy effectiveness and allow engagement with all the countries from the EaP. Such links are expected to increase the leverage of the EU in countries as Belarus, which was not member of the bilateral platforms of the ENP in the past.
- The creation of short term 'carrots' (as visa liberation) increases social awareness of the EU actions in the region and provides key short-term motivation for domestic policy reforms.
- The introduction of the Association Agreements and Deep and Comprehensive Free Trade Agreements serves as a legal basis for the relationship between the EU and the Neighbours. It also provides stable foundations for the effective use of conditionality in order to guarantee compliance with key EU values, as democracy and Rule of Law.
- Organisations as the European Endowment for Democracy have increased EU's outreach to a greater variety of domestic actors.

### Weaknesses:

- Lack of membership perspective and limited motivation for achieving long-term goals, in comparison to the effectiveness of short-term carrots, as visa-liberalisation. This leads to the need to produce new short-term incentives in order to keep the political elite involved.
- Apparently high costs of harmonisation of the domestic policies with EU norms and standards in order to achieve long-term goals.
- Decreased legitimacy in the last years in some countries, as Moldova, which was identified as a front-runner in the EaP in a period when it faced key challenges as state capture and high-level corruption.
- Weaker historical, economic and cultural connections between the EU and some of the countries in the EaP, in comparison to those existing between them and Russia, leads to more difficulties in establishing effective links in these fields.
- Possible prioritisation of the security and stability dimension at the expense of the democratic one, which is connected to the adoption of the concept of principled pragmatism, which has been criticised as a step back from the normative principles of the EU.
- The EU developed different instruments for engaging separately with the main domestic actors, as civil society organisations, state institutions etc. However, in order to reinforce the domestic accountability and the culture of participation, it will be helpful to promote formats that strengthen the cooperation between different domestic actors. The promotion of civil society participation in ordinary decision-making processes of the national institutions would provide a fruitful basis for this purpose. The Eastern Partnership Civil Society Forum could develop actions in this directions.
- The democratic backlash in Central and Easter Europe, influences negatively the image and credibility of the EU in terms of normative democratic standards.

### Opportunities:

- The increasing assertiveness of Russia in countries as Georgia and Ukraine had the opposite effect of strengthening the links with the EU. This applies to the trade, energy and migration sanctions adopted by Russia. The EU provides new trade opportunities and resources for the adaptation of the domestic market to the EU in order to diversify the exports of the countries in the Eastern Partnership.
- The image of the EU as a key partner in democracy support, Rule of Law and institutional development, together with institutions as the Council of Europe, gives an opportunity for meaningful engagement in this field. Such image exists in Armenia and Georgia.
- Active civil society participation in countries as Georgia and Armenia might provide a fruitful basis for developing meaningful accountability channels with state institutions. Frequent contacts between EU and state institutions on the one side, and EU and civil society on the other, might be instrumental in order to contribute for reinforcing social participation and exchanges between civil society and public institutions.

### Threats:

- The increasing interconnection of democracy with security has lead to geopolitical interpretations of domestic democratic or autocratic transformations. The 'colour revolutions' are interpreted in geopolitical terms and increase tensions in the region as a result of fears of broader destabilisations. Such predispositions create a negative environment for democratic transformations e.g. Armenia was required to underline on repeated occasions the lack of geopolitical implications of its 'velvet revolution'.
- The continued presence and even domination of informal patrimonial networks weaken political institutions in a way that undermines long-term democratic development. Such threats are difficult to be detected by a strictly institutionalist analysis.
- More countries adopt (or consider to adopt) legislation that seeks to control or limit the international funding for NGOs that work in 'democracy-related' fields.
- Populist groups and media influence negatively the image of the EU, presenting it as a weak actor that undermines traditional values and brings chaotic social transformations in the EaP countries.



## RECOMMENDATIONS

It is recommended to develop an in-depth political analysis of the democratic and autocratic trends in the EaP countries taking under consideration formal institutional reforms, as well as informal power and social dynamics. Similar analysis is required to contextualise the political reforms taking place in the countries. Such analysis should contextualise democratic reforms and aim to develop policy instruments that prioritise domestic accountability and strengthened social participation in the EaP countries. EU's engagement with diverse social and political actors is expected to increase its credibility and effectiveness. Furthermore, democratic deepening will benefit from building sustainable links between domestic institutions and a variety of social actors. Consequently, the EU should focus on building capacities and promoting channels between domestic social, political and institutional actors.

## SUGGESTED READINGS

- Babayan, N., 2016. *Democratic Transformation and Obstruction: EU, US, and Russia in the South Caucasus*, Abingdon & New York: Routledge.
- Berglund, S. et al., 2013. *The Handbook of Political Change in Eastern Europe*, Cheltenham and Northampton: Edward Elgar.
- Bunce, V., McFaul, M. & Stoner-Weiss, K., 2010. *Democracy and Authoritarianism in the Postcommunist World*, New York: Cambridge University Press.
- Christofer Berglund, 2014. Georgia between Dominant -Power Politics , Feckless Pluralism , and Democracy. *Democratizatsiya*, 22(3), p.445(26).
- Dawisha, K. & Parrott, B., 1997. *Conflict, Cleavage, and change in Central Asia and the Caucasus*, Cambridge: Cambridge University Press.
- Fisun, O., 2012. RETHINKING POST-SOVIET POLITICS FROM A NEOPATRIMONIAL PERSPECTIVE. *Democratizatsia*, 20(2), pp.87–96.
- Hale, H.E., 2015. Introduction. In *Patronal Politics: Eurasian Regime Dynamics in Comparative Perspective*. New York: Cambridge University Press.
- Kitschelt, H. et al., 1999. *Post-Communist Party Systems. Competition, Representation and Inter-Party Cooperation*, Cambridge: Cambridge University Press.
- Koehler, J. & Zürcher, C., 2003. *Potentials of disorder*, Manchester: Manchester University Press.
- Kononczuk, W., Cenusa, D. & Kakachia, K., 2017. *Oligarchs in Ukraine , Moldova and Georgia as key obstacles to reforms*, Warsaw, Chisinau, Tbilisi.
- Kupatadze, A., 2016. Accounting for diverging paths in most similar cases: corruption in Baltics and Caucasus. *Crime, Law and Social Change*. Available at: <http://dx.doi.org/10.1007/s10611-016-9658-y>.
- Morlino, L. & Sadurski, W., 2010. *Democratization and the European Union. Comparing Central and Eastern European post-communist countries*, Abingdon & New York: Routledge.
- Nizhnikau, R., 2017. Promoting Reforms in Moldova. *Problems of Post-Communism*, 64(2), pp.106–120.
- Powell, E.N. & Tucker, J.A., 2013. Revisiting Electoral Volatility in Post-Communist Countries: New Data , New Results and New Approaches. *British Journal of Political Science*, 44(January), pp.123–147.
- Ruthrauff, H., 2017. The electoral reforms in three association countries of the Eastern Neighbourhood - Ukraine , Georgia and Moldova and their impact on political developments in these countries,
- Tudoroiu, T., 2015. Democracy and state capture in Moldova. *Democratization*, 22(4), pp.655–678. Available at: <http://dx.doi.org/10.1080/13510347.2013.868438>.
- Turovsky, R., 2011. Party Systems in Post-Soviet States: The Shaping of Political Competition. *Perspectives on European Politics and Society*, 12(2), pp.197–213. Available at: <http://www.tandfonline.com/doi/abs/10.1080/15705854.2011.572645>.