EVIDENCE OF CONVERGENCE? THE WESTERN BALKAN COUNTRIES IN DEMOCRACY AND GOVERNANCE ASSESSMENTS

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Abstract

The article analyses and compares how democracy and governance assessments evaluate Southeast European countries. Datasets and expert studies from the Bertelsmann Foundation, the Economist Intelligence Unit, Freedom House, the Polity project and the World Bank Institute have been selected to compare numerical ratings and verbal assessments, cross-nationally within Southeast Europe, in comparison with other regions of Europe and over time. The main findings are: The differential placement of states on levels of relations between the EU and Southeast Europe correlates with the ranking of states emerging from the surveys, while there is scarce evidence of a clear causality in either direction. The successive upgrading of relations between the EU and the Southeast European countries also corresponds to convergence trends observed by two of the surveys. Differences in the relative placement of states by individual surveys can only partially be explained by the country reports attached to the surveys, suggesting further methodological improvements.

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Introduction

The European Union has developed graded relations with the Southeast European states in order to structure the process leading states to association and membership, a goal shared by all governments in the region. Policy makers in the EU believe that the gradation of relations maximizes the impact they can expect from the incentive of EU membership. The prospect of membership has so far been the EU's most effective foreign policy tool and has supported the rule of law, public administration and regulatory reforms in Central and East European countries (Anastasakis and Bechev 2003; Dimitrova and Pridham 2004; Pridham 2007). At the beginning of 2008, six distinct levels of relations were used to differentiate and group Southeast European states.

Firstly, states are refused the prospect of EU membership and are instead linked to the EU through so-called Partnership and Cooperation Agreements. Moldova is an example of a Southeast European country on this 'partnership' level. Secondly, states are recognized as 'potential candidates' for EU accession. Within this group of states, Albania and Montenegro in early 2008 had reached a third level by concluding a so-called Stabilization and Association Agreement with the EU whereas Bosnia, Kosovo and Serbia had not yet signed such an agreement. Associated states can be granted the status of an accession candidate, as offered to Macedonia in December 2005. This fourth level is differentiated from a fifth level involving the opening and conduct of accession negotiations that has been attained by Croatia and Turkey. The sixth level of EU membership was reached by Bulgaria and Romania on 1 January 2007 and by Greece already in 1981.

EU institutions assign countries to these levels on the basis of performance assessments that reflect the criteria of EU accession conditionality for the region. These criteria were initially defined by the EU member states at the Copenhagen summit in 1993 and include the stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities. Other assessment criteria are the existence of a functioning and competitive market economy, the capacity to implement the body of EU law, the cooperation with the UN International Criminal Tribunal for the Former Yugoslavia, and the engagement in regional and good neighbourly cooperation.

The present article focuses on the stability of democratic institutions and examines it through the analytical lenses of cross-national democracy and governance assessments. This focus can be justified by policy-related and substantive considerations. While democratic stability is not the only criterion of EU membership, it belongs to the so-called political criteria which are particularly important because the EU itself has made their fulfillment a precondition for initiating accession negotiations. In contrast, the economic and administrative criteria of membership may be fulfilled after the start of negotiations.

There are also several indications of a persisting discrepancy between formally stable democratic institutions and observable practices of governance and political participation. In all countries labeled 'Western Balkans'[1] by the EU, electoral turnout has successively declined over the last three parliamentary elections, except for Serbia. The turnout figures reported by the Organization for Security and Cooperation in Europe for the Western Balkan countries show declines ranging between four percentage points (Montenegro 2001-2006) and 21 percentage points (Albania 1997-2005). This development seems to indicate an increasing indif-

[1] The EU denotes Albania, Bosnia and Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia, Montenegro and Serbia as Western Balkan countries.

ference towards, or disaffection with, politics and is also reflected in opinion surveys that have shown high levels of public distrust towards governments, parliaments and parties (International Commission on the Balkans 2005, 40-41). In an opinion survey commissioned by the European Bank for Reconstruction and Development in 2006, 36.5 percent of the citizens asked in Western Balkan countries lacked any confidence in their government, whereas the equivalent average share of distrustful respondents in the new EU member states from Central and Eastern Europe was 27 percent (EBRD 2007a). The survey also reveals that 66.2 percent of Western Balkan citizens believed there is more corruption now than around 1989, compared to 56.6 percent in the new EU member states.

According to Alina Mungiu-Pippidi, citizens are increasingly disillusioned with the behaviour of the political class that has lacked accountability and a capacity to learn from its own failures. (Mungiu-Pippidi 2007, 12). Such disappointment has, as she argues, supported the electoral advance of populist groups in Bulgaria, Romania and other new EU member states which has contributed to a political radicalization, political instability and occasional, limited violations of democratic standards ending in public scandal.

Broadly sketching the state of democracy in the postcommunist world, Larry Diamond has noted that "(...) democracy has been a superficial phenomenon, blighted by multiple forms of bad governance: abusive police and security forces, domineering local oligarchies, incompetent and indifferent state bureaucracies, corrupt and inaccessible judiciaries, and venal ruling elites who are contemptuous of the rule of law and accountable to no one but themselves" (Diamond 2008, 38).

An intellectual observer within Serbia has recently emphasized the persisting divisions in society and among political elites: "Seven years after the democratic regime change and the start of democratic reforms, Serbia continues to suffer from the ideological division between the forces of the old regime and the reformers and from the symbolic divisions (...) between 'patriots' (ethnonationalists) and pro-European individuals and groups (globalists, antinationalists, 'traitors'). The ideological and symbolic/identitarian division of Serbian society and politics together create a dominant ideological-political cleavage that destroys its political and social identity, blocking democratic reforms and integration processes" (Vujadinović 2007, 12).

Such perceptions and observations suggest taking a closer look at the state of democracy in Southeast Europe. The present article does this in an indirect, reflective way by examining how cross-national comparisons of democracy and governance evaluate Southeast European countries. Three questions are asked: To what extent do these assessments correspond to the differential placement of states on levels of relations between the EU and Southeast Europe? How do the assessments differ from each other? To what extent do democracy and governance assessments confirm a convergence of states on the way towards EU membership?

To address these questions, the present article uses datasets and expert surveys created by the Bertelsmann Foundation, the Economist Intelligence Unit, Freedom House, the Polity project and the World Bank Institute. These studies allow for a comparison between numerical indicators both as composite indicators and as disaggregates. Their numerical format yields a great potential for comparative research, but this format has also given rise to concerns with the validity of their conceptualization, measurement and aggregation. In particular, critics have pointed to the lack of a transparent measurement and the subjectivity inherent to expert assessments. Some expert surveys (Bertelsmann and Freedom House) have sought to increase transparency and to reduce subjective bias by providing detailed country reports that enable a comparison between the verbal assessments underpinning the numerical ratings. By using different datasets, the article seeks to check and validate individual assessments with assessments made by other organizations.

1. Aggregate indicators of democracy and governance

Democracy and governance are complex and multidimensional phenomena. They have therefore been conceptualized in different ways, and 'objective' data have not (yet) become broadly accepted as valid empirical representations of the two concepts. As a consequence, most attempts to measure the quality of democracy and governance have been confined to public opinion and expert surveys. This article will not discuss the validity of the theoretical conceptualizations underlying these surveys, but rather compare their results and discuss their approaches of measurement (for conceptual debates, cf. Berg-Schlosser 2004; Hadenius and Teorell 2005; Munck and Verkuilen 2002). In this section, six studies have been chosen to give an aggregate-level overview of democracy and governance in 11 Southeast European countries. All studies are based on expert surveys and partially incorporate opinion survey data. Five of the six studies refer to 2006/ January 2007 as base periods assessed (see tables 1 and 2 below).

Two of these studies have been prepared by the US-based non-governmental organisation Freedom House. Its annual survey 'Freedom in the World' (FIW) measures the state of individual freedom manifested in political rights and civil liberties, covering 193 countries and 15 select territories (Freedom House 2007a). To assess the quality of democracy in Southeast European countries, the average of the two FIW ratings for political rights and civil liberties is taken. Both ratings can be interpreted as valid representations of democracy as they are further disaggregated into more comprehensive sets of questions that cover not just personal freedoms, but also items such as the functioning of government and the rule of law.

A second annual Freedom House survey, 'Nations in Transit' (NIT), evaluates progress and setbacks in democratization in 29 East European countries and administrative areas. NIT and FIW include numerical ratings and analytical reports for each country (see the annex for a more detailed description) (Freedom House 2007b). NIT provides a composite 'democracy score', constituting the mean of seven, equally weighted categories that are subdivided in checklists of 5-10 questions and are rated separately: national democratic governance; electoral process; civil society; independent media; local democratic governance; judicial framework and independence; and corruption. This section uses the composite score.

A similar expert survey published by the Bertelsmann Foundation, an NGO based in Germany, measures democratic and economic reforms in 125 developing and transition countries (Bertelsmann Stiftung 2008; Brusis 2006). The so-called 'Bertelsmann Transformation Index' (BTI) contains ratings for the state of democracy and market economy and the political management of reforms that are substantiated in detailed country reports. This section works with the BTI's aggregate democracy assessment that consists of five equally weighted categories: stateness, political participation, rule of law, stability of democratic institutions, and political and social integration.

The Economist Intelligence Unit (EIU), a commercial business information service, measures the state of democracy in 165 states and two territories. Its 'democracy index' was published for the first time in August 2007 and is the average of five equally weighted categories rated by EIU experts: electoral process and pluralism, civil liberties, the functioning of government, political participation, and political culture (Kekic 2007).

In the Polity project, researchers at the University of Maryland, United States, have coded the authority characteristics of all independent states since 1800 (Marshall and Jaggers 2005). The comparison in this section uses the 'Polity' indicator which is a composite measure of the extent to which executives are recruited through open competition, chief executives are held accountable, and political participation is competitive, enabling transfers of power among competing elites. Both EIU and Polity scores are not underpinned by verbal analyses.

In contrast with these surveys, the World Bank Institute measures the quality of governance in 212 countries and territories by synthesizing six aggregate indicators from numerous primary data sources (Kaufmann, Kraay, and Mastruzzi 2007). The following comparison employs the 'voice and accountability' indicator (WBVA) because it most closely resembles the other indicators, being defined as "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" (Kaufmann, Kraay, and Mastruzzi 2007, 3).

The WBVA indicator for the 11 Southeast European countries comprises information from 15 sources: three surveys of enterprise managers and citizens, and 12 expert polls. The source studies have been conducted by two business associations, four commercial business information providers, six non-governmental organisations (including BTI and FIW) and two public sector data providers. From these sources, items associated with 'voice and accountability' are selected, standardized and weighted according to their representativity and precision. This procedure allows to estimate governance as "the mean of the distribution of unobserved governance conditional on the […] observed data points" for a country (Kaufmann, Kraay, and Mastruzzi 2004, 259).

The table below contains the scores assigned by these six different democracy surveys to 11 Southeast European states. As the scores are based on different scales and can not be compared directly, the ranks emerging from the scores are given in the upper part of the table.

Tables 1 and 2: The quality of democracy in Southeast European states: rankings and ratings

Ranks								
	EU	**Median Rank***	**BTI**	**EIU**	**FIW**	**NIT**	**Polity**	**WBVA**
Bulgaria	1	1	2	1	1	1	1	1
Romania	1	2	3	2	3	2	1	2
Croatia	3	3	1	3	2	4	5	3
Turkey	3	8	8	10	5	-	5	9
Macedonia[1]	5	5.5*	5	7	9	5	1	5
Albania	6	7	7	8	7	5	5	7
Montenegro	6	5	4	5	5	7	-	8
Bosnia[2]	8	8	10	9	7	8	-	4
Kosovo[3]	8	10	-	-	11	10	-	10
Serbia	8	4.5*	5	4	4	3	8	6
Moldova	9	9	9	6	10	9	4	11

*With six different studies taken into account here, there is an even number of ranks in most cases and thus no single median value. The median is therefore determined by calculating the mean of the two ranks in the middle of the distribution.

	Scores					
	BTI	**EIU**	**FIW**	**NIT**	**Polity**	**WBVA**
Albania	7.50	5.91	32.0	3.82	7	-0.014
Bulgaria	8.70	7.10	43.0	2.89	9	0.562
Bosnia[2]	6.70	5.78	32.0	4.04	-	0.182
Croatia	8.85	7.04	42.5	3.75	7	0.416
Kosovo[3]	-	-	17.0	5.36	-	-0.396
Macedonia[1]	7.75	6.33	30.0	3.82	9	0.070
Moldova	6.85	6.50	28.5	4.96	8	-0.485
Montenegro	7.85	6.57	32.5	3.93	-	-0.074
Romania	8.55	7.06	40.5	3.29	9	0.432
Serbia	7.75	6.62	38.0	3.68	6	0.051
Turkey	7.05	5.70	32.5	-	7	-0.185

Reference periods or points of time: BTI: January 2007; EIU: 2006; FIW: 2006; NIT: 2006; Polity: 31.12.2004; WBVA: 2006

[1]The United Nations and EU member states have recognised this country as 'Former Yugoslav Republic of Macedonia', and country's official name continues to be disputed. This article uses the name 'Macedonia' for reasons of simplicity, without implying any preference for any possible future official name.

[2]The official name of this country is Bosnia and Herzegovina. 'Bosnia' is, again, used here for reasons of simplicity.

[3]Although Kosovo is not recognised by all EU member states, it is included here as it is treated as a separate entity by the European Union.

The first column of the table assigns ranks to the individual states based upon their level of relations with the EU, translating the EU's scheme of graded relations from the introduction into a ranking. As the median ranks of states derived from the six democracy surveys in the second column show, the EU's gradation fairly well corresponds to the relative placement of states in most democracy surveys. This correlation does not reveal whether improved democracy ratings lead to a status improvement vis-à-vis the EU or whether the reverse causal effect, from closer EU relations to democracy improvements, is dominant. To explore the presence and direction of causal effects, the changes in democracy ratings and status classifications are compared in the third section of this article.

There are two exceptions to the correspondence between EU-status and democracy ranking: Serbia's democracy is evaluated much better than its EU-status as a potential candidate country would suggest. In contrast, Turkey's status as a country negotiating EU membership is not reflected in its quality of democracy assessed by the surveys selected here and in relation to the other Southeast European states.

An explanation for the discrepancy between the EU status and the median democracy rank can be found more easily for Serbia than for Turkey. Relations between the EU and Serbia had not been upgraded in early 2008 because EU decision makers perceived the Serbian government as refusing to comply with a specific EU condition, namely the capture and extradition of the former Bosnian Serb president Radovan Karađić and wartime military commander Ratko Mladić who have been indicted of war crimes by the International Criminal Tribunal for the Former Yugoslavia (ICTY).[2] Thus, in the case of Serbia the EU derived its assessment primarily from this (likewise political) criterion, not (or less) from an assessment of democratic institutions, rule of law, human and minority rights.[3] Since the democracy surveys are

[2] Karađić was arrested and extradited to the ICTY in July 2008.

[3] Apart from the ‚stability of democratic institutions and the rule of law', ‚respect for and protection of human and minority rights' and the cooperation with the ICTY, regional and goodneighbourly cooperation may be distinguished as an additional political criterion. The EU institutions have not explicitly defined how the individual political criteria are summarized to arrive at a general assessment. However, the underlying logic seems to be that each individual criterion specifies a necessary minimum condition that must be met by a candidate country in order to be considered as 'meeting the political criteria'. This interpretation is also supported by Geoffrey

more concerned with the latter aspects of democracy, their divergent summary assessment can be explained with their different focus.

In the case of Turkey, the EU Commission in 2007 stated that "Turkey continues to fulfill the Copenhagen political criteria" whereas it qualified the Western Balkan countries (with the exception of Croatia) as not meeting the political criteria. For example, the Former Yugoslav Republic of Macedonia (in the following: Macedonia) had, according to the Commission's diplomatically phrased assessment, "made some progress in addressing the political criteria" (CEC 2007, 56, 36). In contrast, the BTI and FIW rate Turkey worse than Albania, Macedonia and Serbia. Their reports on Turkey explain this comparatively critical judgment with the persisting restrictions on journalistic freedoms and the association rights of trade unions, the discrimination of the Kurdish minority and the widespread tolerance of corruption. These issues are also mentioned in Commission reports, but they have not led the Commission to revise its general evaluation of the political criteria.

Table 3: Correlations among democracy surveys

	EIU	FIW	NIT	Polity	WBVA
BTI	0.852	0.859	-0.761	0.300	0.785
EIU		0.747	-0.485	0.383	0.570
FIW			-0.888	0.048	0.844
NIT				-0.256	-0.903
Polity					0.334

Pearson coefficients, based on scores for 8-11 Southeast European states. Negative correlations for NIT reflect its inversed scale (with higher scores denoting worse performance).

Although the median ranks of the democracy surveys tend to confirm the EU's differentiation of countries, it should be noted that there is considerable variation between individual surveys (see table 3). Among the individual rankings and ratings, the Polity scores and ranks differ mostly from the other surveys. While this may also be due to the fact that the Polity scores refer to 2004, contrary to the base year 2006/07 used by the other surveys, the main reason seems to be problematic codings. For example, the recruitment of Croatia's and Serbia's governments in 2004 was labeled as 'transitional', i.e., between (fully democratic) election and (autocratic) selection. NIT is most closely correlated with WBVA which is somewhat surprising as Daniel Kaufmann and his colleagues do not use NIT as a data source to synthesize their composite indicator of 'Voice and Accountability' (2007). FIW and NIT are also closely correlated, which may be related to the fact that both ratings are published by the same organisation, Freedom House. Top-level countries such as Bulgaria and Romania and Kosovo at the bottom (covered by only three surveys) are ranked most consistently. In contrast, the surveys disagree most strongly on intermediate and some bottom-level countries such as Bosnia and Herzegovina (in the following: Bosnia), Croatia, Moldova and Montenegro. The next section explores the reasons for this variation.

Pridham who notes a tightening of conditionality demands and procedures in his detailed analysis of the EU's evolving political conditionality (2007).

2. The disaggregate level: divergent expert assessments

How and why do the surveys compared in the previous section differ? Are the differences caused by imprecise, erroneous measurement, do they stem from different ideas about what should be measured or do they reflect ambiguities of the empirical situation in the respective countries? An in-depth comparison of the numerical ratings is limited by the fact that three of the six surveys do not account for the considerations that have motivated raters to choose or change their ratings. Thus, the analysis was confined to those surveys that provide verbal, analytic country reports enabling a contextualization and interpretation of scores. All three report-based assessments, BTI, FIW and NIT, start from different concepts, disaggregate their concepts in different ways into measurable categories and questions, and use different scales to evaluate them. This diversity requires an adaptation of the assessments before they can be meaningfully compared.

Firstly, the aggregate correlations for the 2006 scores suggest a higher degree of similarity between FIW and both BTI and NIT than between BTI and NIT (see table 3). However, as this section is primarily interested in how surveys based on similar theoretical concepts arrive at different evaluations, BTI and NIT were selected for the in-depth comparison. These two surveys are based on broader concepts of 'democratization' that resemble each other more than the notion of individual freedoms underlying FIW, as they both place more emphasis on the rule of law and the functioning of democratic institutions. In a second step, the comparison was focused on those six countries that are covered by both surveys and appear most interesting in view of their EU membership aspirations: Albania, Bosnia, Croatia, Macedonia, Montenegro and Serbia.

A cross-sectional comparison of average ratings for these countries shows that both surveys identify similar problem areas. Of NIT's seven categories used to assess democracy, 'corruption' (37 percent of the top score), 'national governance' and 'judicial framework and independence' (49 percent respectively) are evaluated as most deficient. Similarly, the 'rule of law' (including political corruption) and the 'stability of democratic institutions' (assessing the consolidation of parties, interest groups and a democratic political culture) receive the worst evaluations among the five BTI categories (59 and 61 percent of the best possible scores). In contrast, both surveys find less problems in the electoral process and the practice of political participation.

As the categories of both surveys are different, a more detailed comparison required further steps of adaptation. Since BTI contains more detailed, disaggregate scores than NIT, those BTI questions were chosen that matched most closely the categories used to construct the 'democracy score' in NIT (see annex). Of the seven NIT categories, 'local democratic governance' was precluded because the BTI questionnaire does not contain matching items. The new composite BTI scores 'emulating' the NIT category scores were constructed by calculating the means of the equally weighted BTI question scores. As this adaptation technique might be seen as generating an artificial, misleading degree of precision, it was decided to only compare the ranks emerging from the two sets of scores, ignoring any (potentially unreliable) information on distances. The following table shows the results of this disaggregate comparison.

Table 4: Disaggregate NIT and BTI rankings compared

	Albania	Bosnia	Croatia	Macedonia	Montenegro	Serbia
National Democratic Governance						
BTI	5	6	1	2	**2**	4
NIT	4	6	1	2	**5**	2
Electoral Process						
BTI	5	**6**	1	2	**2**	2
NIT	6	**1**	2	2	**5**	2
Civil Society						
BTI	2	6	1	3	3	3
NIT	3	6	1	5	3	1
Independent Media						
BTI	2	3	**1**	**3**	3	3
NIT	3	4	**4**	**6**	1	1
Judicial Framework and Independence						
BTI	3	3	**1**	3	2	3
NIT	2	2	**4**	1	4	4
Corruption						
BTI	6	**4**	1	3	4	2
NIT	5	**1**	3	3	6	2

The table indicates that NIT, compared with BTI, assigns lower ranks to Croatia and Montenegro, but higher ranks to Bosnia and Serbia. Macedonia is ranked equally by both surveys in three categories, and Albania's evaluation differs only by one rank across all six categories. To explore why the assessments differ, this section now briefly analyses those parts of the country reports that refer to categories with large differences in rankings (boldly marked in the table). It should be noted, however, that the country reports have not been focused on, or exclusively designed for, the justification of particular ratings, and that they have neither been written with the intention to explain the relative positioning of countries vis-à-vis other countries. Thus, the following analysis will be confined to checking the plausibility of rankings with arguments obtainable from the country reports. For each ranking difference, points supporting the respective placement choice are summarized and a cause of the difference is suggested.

National democratic governance in Montenegro. The NIT report points to the dominance of the executive over the underfunded and understaffed legislative and judicial branches. "The ruling parties repeatedly scheduled urgent parliamentary sittings for specious reasons in order to satisfy the executive's last-minute political priorities, and in an effort to enforce party discipline, they even demanded repeated open votes in two cases where the original vote did not go in favor of the government" (Freedom House 2007b, 504). The opposition parties refused to participate in the parliamentary committee charged with the drafting of the new Constitution and refused to acknowledge the results of the independence referendum in May 2006. The BTI report, in contrast, emphasizes that all relevant political and social actors accepted democratic institutions, while disagreeing over the status of Montenegro as a state. The lost referendum did not induce the opposition parties to boycot the ensuing parliamentary elections. New parliamentary rules of procedure strengthened the role of parliamentary committees and enabled opposition parties to chair or co-chair committees. A newly established Ministry of Defense ensured civilian control over the military.

Diagnosis: The reports appear to be guided by different underlying, implicit concepts of 'national democratic governance'. Whereas it is meant to capture inter-institutional friction in NIT, the BTI survey examines the general acceptance of institutions among political actors.

Electoral process in Montenegro. BTI notes the high electoral turnouts of 71.7 percent in parliamentary and local elections and of 86.5 percent in the independence referendum, strengthening the legitimacy of the votes. International observers "attending the referendum did not raise doubts regarding the manifestation of a clear pro-independence majority" (Bertelsmann Stiftung 2008, Montenegro report). NIT mentions that during the independence referendum campaign and the subsequent electoral campaign the supporters of a State Union with Serbia criticized vote buying, pressure and manipulation of the voter registries (Freedom House 2007b, 508-509). An opposition member of the Republican Referendum Commission was arrested for the alleged forging of signatures in the voters' registry, prompting the opposition to withdraw from the Commission. The election law was changed shortly before the parliamentary elections took place. Public media coverage was biased in favour of the governing parties. An opposition leader was questioned about alleged tax evasion three days before the election, with the likely effect of discrediting him. Parties were able to reallocate seats among the candidates of their lists after the elections (Freedom House 2007b, 510).

Diagnosis: Imprecise measurement by BTI, neglecting important details of the electoral process.

Electoral process in Bosnia. NIT acknowledges that the general elections in October 2006 were for the first time since the signing of the Dayton peace accords organized solely by Bosnian authorities. "the elections took place in a dignified and orderly manner" (Freedom House 2007b, 172). For the first time in post-Dayton-Bosnia, all three newly elected members of the presidency were not affiliated with ethnonationalist parties. According to BTI, the main deficiency of the electoral process are the ethnic and territorial restrictions that violate existing European human rights standards by requiring, for example, the Republika Srpska presidency member to be an ethnic Serb. The party system is fragmented, polarizing nationalist parties still prevail, and cross-ethnic campaigning was not successful. Popular trust in elected institutions and political parties is low.

Diagnosis: Different concepts regarding whether the procedural quality of elections should be assessed primarily (NIT) or whether results and framework conditions should receive greater weight (BTI).

Independent media in Croatia. BTI emphasizes that outright censorship was limited to a few isolated cases and that national media outlets based in Zagreb were relatively independent. In June 2006 the parliament abolished prison sentences for libel. In contrast, NIT observes a lack of balanced reporting and a tendency of the media to depict all Croatian Serbs as guilty. Laws concerning the freedom of the media remained well below European standards; "journalists are working under the pressure of politicians and are exposed to violence, threats, court proceedings, and jail sentences" (Freedom House 2007b, 221). Most journalists in the state-owned Croatian television and the two recently established private channels have aquired their positions through political patronage.

Diagnosis: Ambiguous evidence that may be assessed either more negatively or more positively.

Independent media in Macedonia. According to NIT, excessive fines that may be imposed on journalists for defamation and libel might pose an obstacle to independent and free journalism. "The struggle of private broadcasters to obtain a license to broadcast throughout the country has led electronic outlets to flirt with political parties in power" (Freedom House 2007b, 461). Political actors continue to influence the composition of the broadcasting council regulating electronic media. The owner of several private TV stations are also presidents of political parties. In a brief summary assessment, BTI considers state-run and private media to be mostly free of government influence.

Diagnosis: Ambiguous evidence that may be assessed more negatively or more positively.

Judicial framework and independence in Croatia. BTI mentions that the parliament adopted a national anti-corruption programme including measures to combat corruption in the judiciary. While the judicial system is not free from political influence, its main deficiency appears to be the overload of cases. NIT stresses that "the courts in general continued to function with selective justice and lacked the overall political will to properly address the legal rights of citizens. (...) in practice the whole judicial system is slow, corrupt, and often partisan" (Freedom House 2007b, 224) Croatia's court inefficient system is misused by the state administration for its own purposes. The trial against the former HDZ politician Branimir Glavaš, who was accused of war crimes, was delayed and witnesses were threatened.

Diagnosis: Conceptual differences regarding the extent to which recent developments in the judicial system should be taken into account.

Corruption in Bosnia. NIT states that Bosnia adopted a strategy for the fight against organized crime and corruption in 2006, participates in anticorruption regional initiatives and adopted laws on conflicts of interest, public procurement, the implementation of VAT and money laundering monitoring. Dragan Čović, the former Croat member of the Bosnian presidency was convicted for corruption and sentenced in November 2006. According to BTI, "Čović's release on a €1.5 million bail and subsequent active role in negotiations for forming a new Bosnian government revealed the extent of political influence on the judiciary." (Bertelsmann Stiftung 2008, Bosnia report) Many reported violations of public procurement legislation did not lead to prosecution. Anti-corruption legislation is not coordinated between entities and its implementation is hindered by corrupt local and cantonal authorities.

Diagnosis: Ambiguous evidence about the impact and context of legislative reforms and court decisions.

Taken together, the inquiry into the country reports has documented that most of the large gaps in the relative placement of states can be traced back to different underlying concepts or to an ambiguous empirical evidence that lends itself to diverging interpretations. While the country reports contain observations that may be read as explanations of the numerical ratings, the examples of this section have also illustrated that texts are only loosely coupled to ratings which introduces a degree of conceptual imprecision into the assessment. NIT tries to limit this inbuilt imprecision by adding very helpful sentences explaining the change or preservation of ratings for each of its categories of assessment. BTI seeks to link verbal assessments to ratings through standardized answer options that are provided in a coding manual. However, not all reports explicitly refer to these options. The examples of this section also indicate that it is easier to make generally critical assessments than to explain why the situation is worse in one country than in another country.

The loose coupling of numerical ratings to verbal assessments questions the validity claims implied by the determination of ratings, i.e., that the scores precisely position countries with respect to democratic standards and the performance of other countries. However, the democracy and governance surveys still seem to provide a plausible aggregate picture of Southeast European countries, as suggested in the first section. Therefore the article goes on to analyze the evolution of aggregate indicators, asking how the temporal patterns correspond to each other and to the progress of states in enhancing their relations with the EU.

3. Indicator-based assessments of convergence

Does the observed variation among democracy assessments persist over time, decline or grow? Scholars such as Grzegorz Ekiert, Jan Kubik and Milada Vachudová have noted that "there is a striking convergence among the new members of the European Union and official candidate countries." (2007, 8) They derive this conclusion from an analysis of FIW ratings and the 'Progress in Transition' ratings of economic reforms determined by the European Bank for Reconstruction and Development (EBRD 2007b). However, this convergence, they argue, has to be seen in the context of a "divergence in political outcomes across the post-communist space" (Ekiert, Kubik, and Vachudová 2007, 8), with the majority of the former Soviet republics becoming increasingly authoritarian.

To examine the temporal dynamic of democracy, the concept of convergence must first be specified. Studies of economic growth have distinguished between sigma, delta and beta convergence (cf. e.g. Sala-i-Martin 1996) – a classification that reflects different underlying statistical concepts and has meanwhile also been transferred to public policy research (Holzinger, Jörgens, and Knill 2007). Sigma convergence is perhaps most associated with an intuitive notion of convergence and denotes the increasing resemblance among observations, cases or countries over time. Formally, sigma convergence is defined as a decrease over time in the coefficient of variation. Delta convergence denotes the reduction of a distance to an exogenous or empirical benchmark. In this section, delta convergence is examined by comparing the mean scores of regional groups of countries.[4] An increasing mean score would imply delta convergence towards absolute, exogenous benchmarks established by the measure, a decreasing distance between one regional mean and another regional mean would indicate delta convergence towards an empirical benchmark. Beta convergence describes the extent to which laggard countries catch up with frontrunner countries. Such a catch-up process may be due to a greater progress of laggards or to the greater regression of frontrunners . The formal expression of beta convergence is a negative correlation between change over time and initial levels, indicating that countries with lower initial levels experience higher degrees of change and vice versa.

While sigma convergence necessitates the presence of beta convergence, beta convergence can also be associated with an increase of variation (sigma divergence). Beta or sigma convergence do not presuppose delta convergence if the latter is measured with respect to an exogenous benchmark. Neither does such delta convergence presuppose one of the other two convergence types. These logical relationships suggest examining all three types of convergence in democracy surveys. The following table shows how aggregate democracy ratings of BTI and NIT have evolved for different subregions of Eastern Europe since 2000.

[4] One could of course also study the delta convergence of individual countries by comparing their scores over time.

Table 5: Convergence in regional average democracy ratings

	NIT				BTI	
	1999/2000	*2005*	*2006*	*2007*	*2005*	*2007*
δ-convergence (converging mean scores of regional groupings)						
EU-10	2.41	2.28	2.27	2.32	9.04	9.15
Western Balkans (WB)	4.83	4.10	4.05	4.06	7.62	7.73[1]
Southeast Europe (SEE)	4.44	3.93	3.81	3.80	7.47	7.76[1]
Eastern Europe and Central Asia (EECA)	5.31	5.74	5.78	5.79	4.65	5.00
East-Central Europe – WB	-2.71	-2.07	-2.01	-1.93	1.60	1.57
East-Central Europe – EECA	-3.19	-3.71	-3.74	-3.66	4.57	4.27
WB – EECA	-0.48	-1.64	-1.73	-1.73	2.98	2.73
σ-convergence (declining coefficient of variation)						
EU-10	0.27	0.23	0.21	0.18	0.05	0.04
Western Balkans	0.14	0.13	0.14	0.13	0.10	0.08[1]
Southeast Europe	0.18	0.17	0.19	0.19	0.13	0.09[1]
Eastern Europe and Central Asia	0.16	0.12	0.14	0.14	0.29	0.30
β-convergence (negative correlation)						
	2007-1999/2000	*2005-2004*	*2006-2005*	*2007-2006*		*2007-2005*
EU-10	-0.77	-0.63	-0.58	-0.65		-0.19
Western Balkans	-0.99	-0.91	0.18	-0.17		-0.28
Southeast Europe	-0.55	0.17	0.25	0.36		-0.32
Eastern Europe and Central Asia	-0.21	-0.06	0.70	0.06		0.47

[1]A BTI rating for Montenegro was given for the first time in 2007. The figures in the table include Montenegro; mean scores without Montenegro are 7.71 (WB), 7.74 (SEE), and the coefficients of variation are 0.09 (WB) and 0.10 (SEE). The correlation coefficients do not change.

The different regional groupings in the table consist of the ten new EU member states from East-Central and Southeast Europe (EU-10), the five to seven states labeled Western Balkans in EU parlance, the Western Balkan countries plus Bulgaria, Moldova, Romania and Turkey (Southeast Europe), the 12 post-Soviet republics belonging to the Commonwealth of Independent States (Eastern Europe and Central Asia) and the EU-10 minus Bulgaria and Romania (East-Central Europe). This grouping follows conventional distinctions in East European studies and EU research, but it can also be justified by the statistically significant differences between the mean democracy ratings. An analysis of variance generated F-values of 38.8 and more for the BTI scores and of at least 81.4 for the NIT scores.[5] This means that the variance between regional groups is significantly higher than the variance within the respective groups.

The upper part of the table contains the mean democracy ratings for these regions. Lower NIT scores (on a scale from 7 to 1) and higher BTI scores (on a scale from 1 to 10) denote improvements. Whereas there are no comparable BTI data for the time prior to 2005, NIT provides annual data that reach back until 1999. Both surveys note improvements for the Western Balkans and the wider Southeast Europe between 2005 and 2007, but diverge in their assessment of trends in EU-10 and Eastern Europe / Central Asia. Both surveys thus confirm a delta convergence for the Western Balkans and Southeast Europe with respect to the absolute benchmarks set by the best possible survey scores, but also regarding the benchmarks derived from the mean scores of the East-Central European states. The surveys also coincide in con-

[5] To calculate the F-value, the variance of regional group means (i.e., the mean sum of squared deviations from the mean) is divided by the mean variance of scores within groups. The empirically determined F-values of 38.8 and 81.4 clearly exceed the theoretical values of the so-called F-test distribution which means that the (null) hypothesis that regional group membership does not have an impact on scores can be excluded with a probability of more than 99 percent.

firming a delta convergence trend for the EECA region in relation to East-Central Europe for the period between 2005 and 2007: the distances between the mean EECA ratings and the mean ratings for East-Central Europe declined which seems to contradict the finding of a divergence (Ekiert, Kubik, and Vachudová 2007). In the longer period between 1999 and 2007, however, the distance between EECA and the advanced East-Central European countries has increased, confirming Ekiert et al.

According to BTI, delta convergence of the ten new EU member states, the Western Balkans and the Southeast European states is linked to a declining variation within these regional groups (sigma convergence). This can be seen from the declining coefficients of variation which are depicted in the middle rows of table 5. By definition, sigma convergence also implies a catch-up of laggards (beta convergence). Beta convergence is expressed in the (negative) correlation coefficients for the respective years given in the lower part of table 5. Although the aggregate correlation between the BTI years 2005 and 2007 is negative, Bosnia did not catch up during this period: its evaluation worsened, mainly due to a weakening of the rule of law and institutional stability criteria, related to the failure of the police and the constitutional reform and an increase of secessionist rhetorics among Bosnian Serb politicians. NIT indicates sigma convergence for the EU-10, but a largely constant cross-national variation for the other two groups. While laggards such as Bosnia and Yugoslavia (Serbia/Montenegro) have caught up with other Southeast European states since 1999, the NIT figures for subsequent and more recent years document that their catch-up process has lost momentum. Regarding Eastern Europe and Central Asia, both BTI and NIT observe an increasing intra-regional variation, with the more autocratic countries lagging further behind.

To explore whether and how the improvements in the quality of democracy observed here are related to the upgrading of a country's status in relation to the EU, the sequencing of changes is now studied in more detail. Conditionality theories would assume that a status upgrade offered by the EU induces candidate countries to comply with EU expectations in order to obtain the EU's reward (cf., e.g., Schimmelfennig and Sedelmeier 2005; Schimmelfennig and Scholtz 2008). Thus, improvements in democracy should precede an upgrading of the relations with the EU.

In contrast, one might also assume a reverse causality leading from EU incentives to democracy improvements. For example, EU recognition and support linked to status upgrades could reinforce the position of liberal pro-western political forces within a country and the popular acceptance of its liberal-democratic institutions. Alternatively, experts assessing democracy could be influenced by the EU's monitoring and treatment of a country, tending to align their assessment with the EU's opinion. This line of reasoning would imply improvements of democracy to follow closer relations with the EU.

In order to examine these hypotheses, four status levels that reflect the EU's gradation of its relation with Southeast European countries outlined above are distinguished: the signing of a Stabilization and Association Agreement (SAA); the granting of accession candidate status by the European Council; the opening of accession negotiations; and the accession to the EU. Changes in the quality of democracy are indicated by a year-to-year change in the scores for political rights and civil liberties assigned by Freedom House in its 'Freedom in the World' survey (Freedom House 2008, FIW). Improvements (+), deteriorations (-) and lack of change (o) in the means of the two scores are given for the year preceding the status upgrade, the year of the upgrade and the year following the upgrade (table 6). FIW was selected among the different democracy surveys discussed here, because no other survey provides annual scores for the period from 2000 to 2007.

Table 6: Changes in democracy and EU status, 2000-2007

SAA signed	ALB	BIH	HRV	MKD	MNE	SRB
	2006	2008	2001	2001	2007	2008
FIW change	*o/o/o*	*-/?/?*	*+/+/o*	*-/-/+*	*-/o/?*	*o/?/?*
Candidate status	MKD	HRV				
	2005	2004				
FIW change	*o/o/o*	*o/o/o*				
Accession negotiations	HRV	TUR				
opened	2006	2005				
FIW change	o/o/o	+/o/o				
Accession	BGR	ROM				
	2007	2007				
FIW change	o/o/?	o/o/?				

The FIW change symbol refers to the base periods of assessment, not to the publication years. The +/o/o for the opening of accession negotiations with Turkey (TUR) in 2005, for example, means that the FIW mean score for political rights and civil liberties increased from 2003 to 2004, but remained constant in the subsequent periods from 2004 to 2005 and from 2005 to 2006. Question marks indicate missing ratings. Countries covered: Albania (ALB), Bosnia (BIH), Bulgaria (BGR), Croatia (HRV), Macedonia (MKD), Montenegro (MNE), Romania (ROM), Serbia (SRB), Turkey (TUR).

The table shows that democratic improvements preceded EU status upgrades only in two of the 12 status changes observed in the period from 2000 to 2007: when the EU opened accession negotiations with Turkey and when it concluded a Stabilization and Association Agreement with Croatia. Only one case documents the improvement of a democracy assessment after a status upgrade (Macedonia in 2002). Thus, the FIW assessments do not provide strong empirical evidence for either of the two causality hypotheses. Moreover, the assumed preemptive compliance effect of EU incentives is further weakened by the two cases of Macedonia (2001) and Montenegro (2006) where the signing of an SAA is preceded by deterioration of the political rights and civil liberties scores.

It should be noted that these findings of course do not prove that the EU's democratic conditionality does not work. Rather, they indicate that the impact of this conditionality is more complex and can not simply be measured by looking at the evolution of aggregate democracy ratings.

Conclusion

This article has found a high correlation between the EU's gradation of Southeast European states and the ranking of these countries emerging from various democracy and governance surveys (with the notable exceptions of Turkey and Serbia). Two of these surveys, the 'Bertelsmann Transformation Index' and 'Nations in Transit', suggest that the Western Balkan and the wider group of Southeast European states have improved their aggregate mean quality of democracy in absolute terms and in relation to East-Central Europe. Laggard countries such as Bosnia and Yugoslavia have caught up with more advanced Western Balkan / Southeast European countries since the beginning of the decade, but their catch-up process slowed down or (in the case of Bosnia) ended. The successive upgrading of relations between the EU and the Southeast European countries also largely corresponds to the different types of convergence observed. These findings tend to confirm the aggregate validity of the surveys

and the narrative of democratic conditionality offered by EU institutions to explain their policies for Southeast Europe.

However, the detailed examination of sequential relations between upgrades in a country's EU status and improvement in its observed quality of democracy did not indicate a clear, unidirectional causality between democratic progress and closer ties with the EU. First, the EU has made the upgrading of a state's status not only contingent upon additional conditions, but also on situational assessments reflecting the shifting policy preferences of its member state governments. Second, both domestic political actors and experts assessing democracy may have been influenced by the EU's assessments of countries, for example by the annual detailed monitoring reports published by the EU Commission. In other words, a status upgrade does not necessarily reflect improvements in the quality of democracy, and the EU's monitoring and gradation policy are likely to be endogenous factors influencing democracy and its assessment in a candidate country.

Therefore, attempts to prove the impact of accession conditionality with increasing democracy ratings do not appropriately conceptualize the more complex mechanisms that are at work in the constellation of EU institutions, EU member states and candidate countries. Rather, these mechanisms need to be reconstructed through careful process-tracing that pays attention to processes of framing, diffusion and symbolic politics.

The present article has also sought to demonstrate a reflective use of democracy and governance ratings, thereby taking position against authors who quote such ratings by treating them for granted and refraining from any attempt of cross-validation. The validity assessment made here has focused on measurement rather than concept validity. A key problem noted was the loose coupling between texts and numerical ratings in the 'Bertelsmann Transformation Index' and the 'Nations in Transit' surveys. This measurement problem undermines the precision claim associated with the scores used to code verbal assessments and to calculate aggregate ratings. Stricter rules guiding the translation of verbal into numerical assessments would be desirable to better substantiate ratings and rankings of states. However, such rules would also force country analysts to replace context-rich verbal assessments with rigid coding schemes, thereby sacrificing the genuine advantage of the causal-process observations offered by analytical reports (Collier, Brady, and Seawright 2004, 252-264). This dilemma can probably only be bridged by an incremental refining of questionnaires and codebooks, drawing on the growing body of theoretical knowledge on democratization processes.

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Annex

1. Democracy and governance surveys: brief summaries of their methodologies

Nations in Transit (Freedom House 2007b): The study provides individual country analyses organized according to seven categories which are further detailed in checklists of 5-10 questions per subcategory. The numerical ratings are determined by Freedom House after consultation with the involved experts. The rating is developed in four steps. First, the authors of the country reports suggest scores for all categories. Second, a board of academic advisors reviews the ratings, compares them across countries and establishes a consensus. Third, report authors may dispute a score if the advisors revised the author's proposal by more than 0.50 points. Fourth, Freedom House staff approves the final ratings of the categories and calculates a composite 'democracy score' by averaging the subcategory ratings.

Freedom in the World (Freedom House 2007a): The study's core concepts of political rights and civil liberties are disaggregated into three and four categories, respectively (electoral process, political pluralism and participation, functioning of government; freedom of expression and belief, associational and organizational rights, rule of law, personal autonomy and individual rights). The political rights and civil liberties ratings are determined by adding the ratings for each of these categories. Each category is further specified in checklists guiding the analysis and assessment. FIW classifies countries not only as 'free', 'partly free' or 'not free', but also as 'electoral democracy', implying that its assessment questions can be used to determine the presence and degree of democracy in a country. The reports are written by a team of 29 analysts in cooperation with senior-level academic advisers. The analysts propose ratings which are then reviewed by comparing them across nations and world regions.

World Bank Institute Governance Indicators (Kaufmann, Kraay, and Mastruzzi 2007): The 'governance indicators' are not an official World Bank rating, but are published by a team of economists at the World Bank Institute, a research and training centre of the World Bank . Governance is defined broadly as "the traditions and institutions by which authority in a country is exercised. This includes (1) the process by which governments are selected, monitored and replaced, (2) the capacity of the government to effectively formulate and implement sound policies, and (3) the respect of citizens and the state for the institutions that govern economic and social interactions among them." (Kaufmann, Kraay, and Mastruzzi 2004, 254). Kaufmann and his colleagues collect numerical information on governance performance from a growing number of organizations (30 different organizations in 2007) and aggregate them into six indicators: voice and accountability; political stability and absence of violence; government effectiveness; regulatory quality; rule of law; control of corruption. The aggregation is based upon an 'unobserved component model' that produces standardized point estimates ranging between –2.5 (worst governance) and +2.5 (best governance) and margins of error for each estimate, reflecting the number and similarity of data sources. In figure 1, the point estimate is used.

Bertelsmann Transformation Index (Bertelsmann Stiftung 2008): The study was published for the first time in 2004 and consists of two indices that reflect the state of democracy and market economy in a country (Status Index) and the political management of the transformation towards democracy and market economy (Management Index). The indices are based on 17

criteria and 52 questions that are analyzed and rated individually. The ratings are determined in four steps. First, country experts analyze and rate the extent to which a country meets the standards implied by the questions. Second, each country report is reviewed by another country expert who suggests a second rating. Third, regional experts review the reports and establish a rating on the basis of the two proposals, thereby considering differences among countries of the same world region. Fourth, a board of academic advisors reviews, recalibrates and decides the ratings by comparing across regions. In the perspective of the present paper, the management index is most relevant as it provides ratings for the following four criteria: steering capability; resource efficiency; consensus-building; international cooperation.

2. NIT categories and the corresponding BTI questions

The table shows which BTI questions were assigned to NIT categories in order to arrive at the comparable composite scores displayed in figure 2.

BTI	NIT
2.2 To what extent do democratically elected rulers have the effective power to govern, or to what extent are there veto powers and political enclaves? 3.1 To what extent is there a working separation of powers (checks and balances)? 4.1 Are democratic institutions, including the administrative system and the system of justice, capable of performing? 4.2 To what extent are democratic institutions accepted or supported by the relevant actors?	National Democratic Governance. Considers the democratic character and stability of the governmental system; the independence, effectiveness, and accountability of legislative and executive branches; and the democratic oversight of military and security services.
2.1 To what extent are rulers determined by general, free and fair elections? 2.3 To what extent can independent political and/or civic groups associate and assemble freely? 5.1 To what extent is there a stable, moderate, socially rooted party system to articulate and aggregate societal interests? 5.3 How strong is the citizens' consent to democratic norms and procedures?	Electoral Process. Examines national executive and legislative elections, electoral processes, the development of multiparty systems, and popular participation in the political process.
5.2 To what extent is there a network of cooperative associations or interest groups to mediate between society and the political system? 5.4 To what extent have social self-organization and the construction of social capital advanced? 16.4 To what extent does the political leadership enable the participation of civil society in the political process?	Civil Society. Assesses the growth of nongovernmental organizations (NGOs), their organizational capacity and financial sustainability, and the legal and political environment in which they function; the development of free trade unions; and interest group participation in the policy process.
2.4 To what extent can citizens, organizations and the mass media express opinions freely? 3.4 To what extent are civil rights guaranteed and protected, and to what extent can citizens seek redress for violations of these liberties?	Independent Media. Addresses the current state of press freedom, including libel laws, harassment of journalists, editorial independence, the emergence of a financially viable private press, and Internet access for private citizens.
3.2 To what extent does an independent judiciary exist? 3.4 To what extent are civil rights guaranteed and protected, and to what extent can citizens seek redress for violations of these liberties?	Judicial Framework and Independence. Highlights constitutional reform, human rights protections, criminal code reform, judicial independence, the status of ethnic minority rights, guarantees of equality before the law, treatment of suspects and prisoners, and compliance with judicial decisions.
3.3 To what extent are there legal or political penalties for officeholders who abuse their positions? 15.3 To what extent can the government successfully contain corruption?	Corruption. Looks at public perceptions of corruption, the business interests of top policy makers, laws on financial disclosure and conflict of interest, and the efficacy of anticorruption initiatives.
-	Local Democratic Governance. Considers the decentralization of power; the responsibilities, election, and capacity of local governmental bodies; and the transparency and accountability of local authorities.