

Leiden University

**The effect of EU leverage on the levels of
corruption in Romania and Bulgaria**

MSc. Thesis

International Relations, Political Science

11.06.2012

Student: Tudor Iacob

S1167995

1st Reader: Dr. Adam Chalmers

2nd Reader: Dr. Maria Spirova

Word count: 16503

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Introduction

With the fall of communism in Eastern Europe, the early '90s gave birth to new opportunities for the European Union and set the enlargement plans in motion. "Europeanization East", defined as the process of "EU rule adoption"¹ by central and eastern states became one of the EU's top priorities for the upcoming years, as new members were getting ready to join the Union. In the aftermath of the fall of communism, the relations between the "Western world" and the newly founded eastern democracies intertwined, with both sides looking for new openings for development, be it economic, political or cultural, but also to a prospective common future. "The prospect of Union enlargement to take in ten countries of central and eastern Europe"² including Romania and Bulgaria was for the first time portrayed in the Agenda 2000, the first official document to state the position that Western Europe was to take towards eastern countries. Under these circumstances, Western Europe engaged in a process that was to help its Eastern neighbors prosper and reach a set of standards that were generally accepted in the industrialized countries. In order for the former communist countries to become integral parts of a democratic and united Europe, political stability, economic prosperity but also socio-cultural openness to a new and different set of values represented the basis for a new beginning.

In terms of Europeanization, Eastern Europe countries have brought up a very sensitive issue to be dealt with. More precisely, high levels of corruption have proven to be challenging factors that have severely influenced the condition of the last two countries to be accepted in the EU, Romania and Bulgaria.

The central question to which this thesis tries to answer is "To what extent did the European pressure influence the levels of corruption in Romania and Bulgaria?". The three corruption indexes used, the Corruption Perceptions Index (CPI) published by Transparency

1 Schimmelfennig, F. & Sedelmeier, U., "The Europeanization of Central and Eastern Europe", Cornell University Press, 2005, p. 3

2 Agenda 2000 project, Summaries of EU legislation, 1999, available at http://europa.eu/legislation_summaries/enlargement/2004_and_2007_enlargement/160001_en.htm

International, the Worldwide Governance Indicators (WGI) by World Bank and the Nations in Transit (NIT) datasets by Freedom House will offer an overview of the most valuable existing sources for measuring corruption and the process of “Europeanization East” will help connect the numbers with the policies and norms that influenced them over time.

My thesis states that the lower the pressure posed by the European Union the higher the levels of corruption will be, where corruption is defined as the misuse of public office for private gain. I will look at the connection between European leverage and the levels of corruption in Romania and Bulgaria since the mid '90s, when the applications for EU membership were submitted by these two countries and the first international datasets for corruption were published to the present, five years after accession. More precisely, I will begin by studying the year 1999, when the first corruption indexes containing both countries were made public and in order to offer a complete picture of the evolution of Romania and Bulgaria I am also going to look at the year 2004, the initial year for accession and the year 2007, when full membership was obtained. Finally, I will focus on the corruption levels at present by analyzing the years 2011/2012, five years after Romania and Bulgaria became part of the European Union.

I present two hypotheses: first, that “the lower the pressure imposed by the European Union on Romania and Bulgaria, the higher the levels of corruption will be” and second, that “the pre-accession program is more effective in diminishing the levels of corruption than the post-accession Cooperation and Verification Mechanism (CVM)”. Via an analysis of the numbers given by the three mentioned indexes and by correlating those numbers with the adoption of EU rules (formal and informal) by Romania and Bulgaria, I find evidence supporting both hypotheses. Unlike much of the existing scholarly work on these cases, this thesis is unique in that it is the first study to have examined in the same paper both the pre- and post- EU accession periods and also considers how corruption levels have fluctuated in Romania and Bulgaria while different types of benefits or punishments were applied. Such a perspective has been rather neglected in the existing literature, with researchers having focused on either one of the time periods but not on both in one study.

After the change in the political regime in Romania and Bulgaria, EU enlargement was seen as an integral part of a larger trend of democratization and also as an opportunity to create a common framework in which different cultures could coexist. But in order for the process of

democratization to be successfully implemented and to lead to the desired results, one thing had to be taken into account: transparency, understood as lack of corrupt practices. Most eastern states and especially Romania and Bulgaria have been confronted with high levels of corruption and this has influenced national policies but also social behaviors. Corrupt practices in the two countries have been acknowledged and stigmatized more and more over the last two decades since the change of regimes, with small but firm progress towards transparency being visible after EU intervention. The paper intends to analyze how the Union's pressure on Romania and Bulgaria has determined those countries to combat and overcome corruption in order to reach a minimum level of transparency, which is a requisite for every EU member.

Corruption is generally defined as “misuse of public office for personal gain”³ and this definition, even though broad, is accepted by the majority of scholars, like Kaufmann or Hellman. Such an explanation of the concept “corruption” is positioned on Giovanni Sartori's “ladder of abstraction” at a high level⁴, thus containing most, if not all types of corruption. There are many different definitions for corruption, sometimes more complex and precise, with more attributes that point to a certain action, but for the purpose of this paper a general definition that comprises all types of corruption is preferred. Etymologically, the term corruption comes from the Latin *corrumpere*, which means “to abuse” and as an archaism corruption refers to the process of decay- from a historical point of view, the meaning of corruption is self-evident. Furthermore, corruption can also be understood as the “dishonest or fraudulent conduct by those in power” or “the action or effect of making someone or something morally depraved”⁵, thus taking the term out of the legal sphere and precise legal norms and bringing into discussion the question of morality. Additionally to the “normal” corruption, there is also the systemic or endemic corruption. Systemic corruption is seen in political systems as a trend “where corruption becomes the rule rather than the exception”⁶, a possibility that was seriously taken into account,

3 Kaufmann, D., “Corruption: The Facts,” *Foreign Policy*, No. 107, 1997, pp. 114–131

4 Giovanni, S., “Concept Misformation in Comparative Politics”, *The American Political Science Review*, Vol. 64, No. 4, Dec., 1970, p. 1052

5 Oxford Dictionaries, retrieved from: <http://oxforddictionaries.com/definition/corruption>

especially in the initial stages of the relation between the European Union and Romania and Bulgaria, when the levels of corruption were at an “endemic” level.

Despite the attempt to create the best possible framework for the study of corruption in Bulgaria and Romania, some shortcomings have to be taken in account, like the possibility of biased results because of the used sources or the relatively short time span of the existing data. Having mentioned these problems, it has to be emphasized that the Corruption Perceptions Index and the Worldwide Governance Indicators, with its Control of Corruption dataset, are the most widely used indices that measure corruption and also the finest existing opportunity for scholars to study the perception of corruption in national and international environment.

The thesis will be structured in seven chapters that will focus on different aspects of the process of Europeanization but also on different faces of the concept corruption. The first chapter will deal with the history of the accession process and how the levels of corruption in Romania and Bulgaria have managed to modify it. Chapter two offers an overview of the existing literature while chapter three will explain the theoretical framework used in this thesis and my hypotheses. In chapter four, the research design will be presented and a clarification will be offered to why Romania and Bulgaria have been chosen as case studies. Chapter five emphasizes the importance of corruption at national and European level and charts the evolution of corruption over time in Romania and Bulgaria by using three different datasets while chapter six will explain how the national corruption levels were altered by the European leverage. The last chapter is centered on the role of the media in detecting and publicizing corrupt practices, thus participating in the fight against this phenomenon.

6 Nuijten, M., Anders, G., “Corruption and the secret of law: a legal anthropological perspective”, 2009, pp. 53–54

Chapter I: History of the accession process. Romania, Bulgaria and the European Union

This chapter focuses on the link between the process of European integration and national levels of corruption, more precisely on how corruption has changed the rules of the accession process for Romania and Bulgaria. The following paragraphs will follow-up the pathway of these two countries since their application for membership and analyze their status as candidate states.

After the Cold War, like never before, the interest in studying and combating corruption by the international institutions has increased dramatically, up to the point of defining policies and creating new organizations with the sole purpose of tackling this phenomenon. More importantly for this paper, certain international organizations, like the EU, have centered several of their policies on the concept of corruption. EU neighboring and enlargement policies as well as the integration of new member states represent clear examples of how important the issues of corruption are in the European agenda. Furthermore, eastern European ex-communist countries, because of the legacy of their former regimes but also their statute as new democracies, have been more vulnerable to the corruption phenomenon and thus have been constantly monitored by the European Union. This is the case of Bulgaria and Romania, states that have been integrated in the EU in 2007, not before having to implement severe anti-corruption measures as part of the accession program.

Following the demise of communism, the European Union began to portray a “stronger and wider Union” that would include Central and Eastern European countries, as shown in the

Agenda 2000. In the early stages of the expansion towards East, 1993, when the fifth Enlargement Process began and “the associated countries of Central and Eastern Europe that so desire shall become members of the Union”⁷, corruption, even though acknowledged, was not seen as the central and decisive phenomena that influenced the policy-making procedure. Today, its importance is recognized by Transparency International National Chapters in Romania and Bulgaria, by the media but most importantly, by the European institutions, as shown in the Reports on Progress under the Co-operation and Verification Mechanism in RO and BG. Furthermore, if corruption was seen in the '90s as a factor that could negatively influence the implementation of the conditions that were part of the Union’s acceptance process, it most definitely did not foresee the importance and the effect corrupt behavior can have at national level.

Regarding Western Europe, corruption has been acknowledged and fought against before and after the '90s, without ever becoming a crucial issue of everyday policies. The difference between the two European sides probably lays in the way corruption has been recognized, stigmatized and dealt with by governments, media and the population over time. The solution, the “Europeanization East”, clearly states the connection between the two sides, where the European Union together with other international institutions became the international body that took over the planning of anti-corruption policies that had to be implemented by Eastern states in order to become full members. In other words, the enlargement towards East has “upgraded” corruption to the defining position of top priority on the European agenda.

Corruption in Romania and Bulgaria began to be publicly acknowledged only in the late '90s, as shown by the international reports that emphasized the high levels of corrupt practices, both petty and grand, like the 1999 Nations in Transit (NIT) reports for Romania and Bulgaria.^{8 9} Corruption in eastern European states can be dealt with in two major ways, either by domestic measures or by European policies and norms implemented through legally-binding contracts or

7 European Council, 1993 Summit in Copenhagen

8 Freedom House, Nations in Transit report, Romania, 1999, p. 518

9 Freedom House, Nations in Transit report, Bulgaria, 1999, p. 184

social pressure. This paper is going to focus on the second type of tackling corruption, the European approach. More precisely, I am going to study the relation between the European Union and the two countries involved, specifically the pressure applied by Brussels in order to change certain national behaviors.

In mid '90s, when the first international reports that measured the perception of corruption in both Romania and Bulgaria were published, corrupt practices were at their peak. On the other hand, the lack of any other reports based on data collected in the communist era made it impossible for analysts to look at corruption over time and see how it evolved. What is known is that corruption was very high and that both countries showed interest in being helped by the EU to overcome this problem when they applied for membership back in 1995.

In 1993, the EU decided it was time to begin its expansion eastwards and adopted the criteria that were to decide if and when a country was ready to join the European Union, the so-called "Copenhagen criteria"¹⁰:

- "stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities"
- "the existence of a functioning market economy as well as the capacity to cope with competitive pressure and market forces within the Union"
- "the ability to take on the obligations of membership including adherence to the aims of political, economic & monetary union"

Soon after, in 1995, Romania and Bulgaria applied for membership and in 1999 the Commission proposed to open formal negotiations for accession with both countries, with the prospect of obtaining full-membership in 2004. Despite an optimistic start, several benchmarks were not reached, some of the most important being the combat against corrupt practices, implementation of rule of law and severer anti-corruption policies and so the accession date was postponed for January 2007^{11 12}.

¹⁰ European Commission, Enlargement, retrieved from:

http://ec.europa.eu/enlargement/enlargement_process/accesion_process/criteria/index_en.htm

The 2007 enlargement of the European Union and the context of the so-called “enlargement fatigue” brought into discussion two important points. Was there a real need for enlargement? And how prepared were in reality Romania and Bulgaria to join the EU? The final decision, to allow the two countries to join the Union, has obliged Brussels to deal with a completely new set of problems in regard to further enlargement eastwards and to develop innovative measures to tackle these issues. The pre-accession process and the fifth enlargement of the EU, when Romania and Bulgaria became member states, brought up corruption related problems at the top of the European policy agenda. But for the EU to successfully extend and overcome the multitude of obstacles posed by these two countries, an attractive pre-accession aid package had to be created in order to encourage domestic policies that would comply with the European vision.

In order to assess how the European Union has influenced the levels of corruption in Romania and Bulgaria, one has to go back to 1995, when the applications for membership were submitted to the EU. In the following years, more precisely 1999, three different datasets measuring corruption and related fields in both countries were made available: the CPI, WGI and NIT. In the context of Romania’s and Bulgaria’s membership application, corruption in eastern-European post-communist countries slowly occupied the center stage of EU policies. 2004 is the starting year of the pre-accession process for the two countries, a period of intense debating and actions in the fight against corruption, both national and European. The 2004-2007 programs were intended to lower the levels of corruption to an “acceptable” European level and ensure compliance either by offering certain benefits or with the help of punitive measures. After 2007, a Cooperation and Verification Mechanism is implemented between the states and the EU. The CVM protocol has a lifespan of 5 years and expires in 2012, its main purpose being to facilitate further compliance with the Europeanization process. This study follows-up the changes in corruption levels in Romania and Bulgaria between the 1999-2012 timeline, thus comprising the pre-accession process as well as the years after obtaining the member status.

11European Commission, Archives, “EU-Romania Relations”, retrieved from:
http://ec.europa.eu/enlargement/archives/romania/eu_romania_relations_en.htm

12 “EU-Bulgaria Relations” retrieved from
http://ec.europa.eu/enlargement/archives/bulgaria/eu_bulgaria_relations_en.htm, January 2007

The key element that gives originality to this study and makes it a valuable one is that it looks not only to the pre-accession period, which is thought to have had the strongest impact, but also to the continuing post-accession process in the same research. The purpose of such a study is to explain how corruption in Romania and Bulgaria has changed once these countries entered the pre-accession program and obtained the official status of candidate states and also to see if the domestic levels of corruption suffered any change after obtaining the quality of full-membership. In other words, this thesis compares the levels of corruption as they were when the two eastern countries applied for EU membership and the present status of corruption, but also tries to create a link between the pressures imposed by the European Union and the fluctuations in corruption levels over time. The short overview of the accession process intended to outline the strong influence that the levels of corruption in Romania and Bulgaria have had in the decision-making process and the policy-making process as these countries brought into the spotlight the importance of transparency and lack of corrupt practices, thus obliging the EU to revisit its entire enlargement process and for the first time introduce a mechanism of verification that would be active after accession to the European Union.

Chapter II: Existing Literature. Findings and Lacunae

Corruption has been and still is a subject of great interest in the European Union as well as the national frameworks discussed. There are a number of scholars that have studied the importance of European leverage and corruption in Romania and Bulgaria, but these studies have almost always focused solely on the pre-integration process. I have decided to divide the existing literature in two classes, with the motivation of creating a clear background of the available studies. In the first category I have placed authors like Schimmelfennig and Sedelmeier as well as Sandholtz and Gray, who are mainly concerned with explaining how European leverage is used in practice. The second category is created around the concept of national corruption and encompasses authors like Precupetu and Preoteasa or Smilov and Dorosiev.

Corruption in East-European post communist countries has been a matter of intense debate since the fall of this regime. In the cases of Romania and Bulgaria, corruption has been publicly acknowledged only at the end of the 1990s and beginning of 2000, with the help of the media. In the context of EU enlargement in Eastern Europe, the European institutions have begun to show more and more interest in helping the two states tackle corruption and consolidate democracy and the good governance. Several studies, mainly national, have been published over time, but little attention has been given to a cross-country longitudinal study that would analyze the levels of corruption in both countries, before and after accession. There is no single study that addresses corruption in Romania and Bulgaria prior and post accession, thus making this thesis

an innovative one. In the next section a short review of the existing literature will be presented with the objective of showing what has already been written on the subject.

Schimmelfennig & Sedelmeier (2005) offer one of the best existing theories that explain the process of Europeanization and rule adoption by eastern states. In their work, “The Europeanization of Central and Eastern Europe”, they use the concept “goodness of fit” to explain how the institutionalization of EU rules affects the balance between national and European context but also to suggest solutions that would facilitate adoption of this rules by national governments. The two authors do not address corruption specifically but rather create a general framework and apply it to a large array of issues and countries like minority protection in Romania, Hungary and Poland or civil service reform in East-Europe and all of this problems are in turn worsened by corrupt practices. This model has a large applicability area and will be useful in analyzing the relation between EU leverage and national corruption. “Europeanization East” is seen as the process of EU rule adoption by eastern states and Schimmelfennig and Sedelmeier explain when and why candidate states adopt EU rules with the help of the External Incentives Model consisting of four significant factors: 1.determinacy of conditions, 2.size and speed of reward, 3.credibility of conditionality and 4.veto players and adoption costs. This thesis will make use of the earlier mentioned factors in order to asses when, why and how the European leverage determined Romania and Bulgaria to address the problem of corruption.

Another framework launched by Sandholtz & Gray (2003) refers to the direct link between international integration and lower levels of national corruption and theorizes that there are two principal channels for international factors to affect the levels of corruption: first, economic incentives and second, the normative approach, delegitimizing corruption. They conclude that the more a nation is implicated in cultural and economic exchange on the international arena, the less corrupt its citizens will be, thus showing that international integration brings transparency with it. Even though similar to some extent with Schimmelfennig and Sedelmeier’s theory, Sandholtz & Gray focus more on the importance of European norms that stigmatize corruption in the fight against this phenomena.

Precupetu & Preoteasa (2008) study corruption in Romania in the 2001-2007 pre-accession periods, with the focus on several domestic subfields that are engaged in tackling this issue: economy, politics, civil society, media, police and judiciary. This article is important

for the theme of this thesis because it also examines the levels of corruption, but only in the pre-accession period, before 2004. In the same time, it offers a national perspective over these phenomena, with the highlight on the evolution of the anti-corruption discourse as well as the measures undertaken. It is a qualitative research into the perception of corruption in Romania that also proposes several solutions to tackling corruption and consolidating democracy. The work of Precupetu & Preoteasa is part of a larger project –Crime as a Cultural Problem- initiated by the University of Konstanz, Germany, that analyzes the perception of corruption in several countries, as well as the EU-accession states Romania and Bulgaria.

The Crime as a Cultural Problem project also analyzes the levels of corruption in Bulgaria, the work of Smilov & Dorosiev being an important part of this study. Both the Romanian and the Bulgarian study are state-oriented and make use of mainly domestic sources of information to describe corruption-related issues and most importantly, they focus only on the pre-accession period.

Smilov & Dorosiev (2008) analyze corruption in Bulgaria from a different perspective by looking at the socio-cultural aspects. They also use a qualitative approach when trying to examine how corruption is understood at the “everyday level” and come up with some recommendations that could optimize the fight against corrupt behavior. The methodology used by the authors is similar to that of Precupetu & Preoteasa, but Smilov and Dorosiev make use of two different explanatory models, cultural and political, as to create a complete picture of how corruption is perceived in the Bulgarian society. The two authors center around conceptualizing corruption through their models, with the rational one insisting on the legal side and the cultural one on a more informal approach. They are more concerned creating the best model to combat corruption and underline the need for a shift of focus in the political discourse and the anti-corruption measures from the rational to the cultural perspective, which would offer much more importance to norms delegitimizing corruption and create a more complex and proper manner of dealing with this problem.

The “Patterns of Perceptions Towards the Anticorruption Fight in Romania” and the “Perceptions of Corruption in Bulgaria. A Content Analysis of Interviews with Politicians, Representatives of the Judiciary, Police, Media, Civil Society and Economy” are both part of the same project, use the same qualitative methods and are partly based on interviews which help

express the perception of corruption at national levels. These studies are centered on specific domestic issues (either Romanian or Bulgarian) and are interested in finding solutions to their problems. On the other hand, there are other studies, more internationally focused, which analyze the levels of corruption in the mentioned states from the point of view of the European Union and with the help of different tools offered by international organizations like Transparency International or the World Bank.

Vachudova (2009) has written one of the few studies that look at the corruption levels in Romania and Bulgaria and discuss the importance of the EU leverage in influencing those levels. Moreover, the author also acknowledges the different legacies of post-communist countries and other European countries and insists on the need for a well-adapted pre-accession program that would lower corruption and strengthen the democratic regime. Vachudova emphasizes the major impact that EU leverage has, if applied well before accession, but also draws attention to the domestic efforts (media and civic society), as a major aid to the European pressures.

Vachudova's article is focused on the importance and the effects of the pre-accession program in fighting corruption and decreasing it in Eastern-European post-communist countries like Romania and Bulgaria. On the other hand, Svetlozar work studies the same countries, the same issue –corruption-, but in a different time frame: the post-accession period. This two studies offer insights that are to be combined in this thesis in order to portray corruption in the two countries as realistic as possible.

Svetlozar A. Andreev (2008) looks at Romania and Bulgaria after the EU accession, more specifically to the impact of the EU membership on domestic issues but in the same time he also analyses the relation between the two states and the European Union. The author focuses on the effects corruption has had over the socio-economic and political environment in the post-accession period, concluding in the same manner as Vachudova, that the EU leverage can instill much more pressure before obtaining the membership, rather than after. On the other hand, the author notices that the civic spirit and the media did not have the expected positive influence over the levels of corruption, quite the opposite. As a final conclusion, Svetlozar considers Romania's and Bulgaria's post-accession progress similar to the other eastern European states that were accepted in 2004, with one exception: the levels of corruption.

The two studies mentioned above -Vachudova (2009) and Svetlozar (2008) -analyze the levels of corruption over time and reach similar conclusions. The difference consists in the period of time studied (either pre or post) and the approach –while Vachudova is more focused on the importance of international leverage over domestic corruption, Svetlozar emphasizes national factors that are altered by this phenomena.

Chapter III: Theoretical Framework & Hypotheses

So how can corruption be identified and how can it be countered?



If only corruption were this obvious...

“Europeanization” is going to be used in order to create a theoretical framework in which corruption will be considered. This theory, like any other, has multiple definitions and understandings and I have decided to choose one that is very general and is based on rational

choice mechanisms according to which national states will accept the influence of the European Union as long as the incentives or punishments are strong enough. This paper will make use of the term Europeanization as understood by Schimmelfennig & Sedelmeier: “as a process in which states adopt EU rules”¹³, where transparency and zero-tolerance policies for corrupt practices are rules that have to be adopted and implemented by the states in discussion. Schimmelfennig’s “goodness of fit” concept will be used in order to clearly structure the connection between European techniques of applying pressure and levels of corruption and also emphasize the necessary benefits or costs inducted in order to implement EU anti-corruption policies.

The second theory used in this paper is that of Sandholtz & Grey which is based on the importance of inter-cultural exchange of norms and customs supplemented by economic incentives and establishes a decrease in national corrupt practices. Moreover, their framework demonstrates that neighboring countries tend to have similar scores in regards to corruption¹⁴, therefore supporting the idea that Romania’s and Bulgaria’s progress is strongly interlinked as well. As revealed by the nature of the two applied frameworks, this research is going to use a “top-down approach” to Europeanization with the emphasis on the impact of the European Union onto the national policies.

As already mentioned in the introduction, this research will focus on corruption in Romania and Bulgaria and follow-up the fluctuations that occurred since the change in regime and up to the present day. More precisely, the research topic of this study refers to EU leverage and its effect on the levels of corruption in Romania and Bulgaria, where leverage is understood as the pressure posed by the European Union on these countries, before and after accession. Furthermore, European pressure is categorized in two major classes, in regard to the type of tools used to affect the levels of corruption. First, the “sticks and carrots” approach uses financial benefits or costs, with the objective to either stimulate or penalize the actions taken by the national governments in the fight against corrupt practices. Secondly, the normative approach

¹³ Schimmelfennig, F. & Sedelmeier, U., “The Europeanization of Central and Eastern Europe”, Cornell University Press, 2005, p. 7

¹⁴ Sandholtz, W. & Gray, M., “International Integration and National Corruption”, International Organization vol. 57, no. 4, 2003, p. 34

encompasses all the European norms and beliefs that stigmatize corruption. These norms are proliferated in national frameworks with the help of social pressure, mainly through domestic and European media support. The above mentioned approaches combat corruption in its most general form, as defined previously and I also intend to discuss the importance of the pre-accession assistance (the PHARE program, ISPA and SAPARD) as well as the post-accession funds in acting as compliance agents towards the generally accepted European norms. Furthermore, the paper will use Schimmelfennig's "External Incentives Model" in order to give details on how the European pressure has acted upon and altered the levels of corruption in Romania and Bulgaria. From the EU perspective, the process of Europeanization begins from a domestic status quo and in order to measure the success of this process, respectively my independent variable, I will use the "goodness of fit" concept, which is the difference between domestic status quo and EU rule and is translated as costs & benefits for EU rules implementation. I will also focus on the social norms that stigmatize corrupt practices and analyze the role of the international and national media in combating this type of behaviors. What is observable from the very beginning when studying the two frameworks is that Schimmelfennig and Sedelmeier as well as Sandholtz and Gray agree on the importance of economic and cultural/social rewards or punishments that are vital to the successful implementation of EU policies, in this case anti-corruption policies. The difference between the authors lies in the focus of their frameworks, while Schimmelfennig emphasizes the criteria needed for the successful implementation of new policies and norms by proposing an effective model that facilitates rule adoption, Sandholtz focuses more on the economic incentives per se and the positive influence of inter-cultural exchange. During the chapter on Europeanization, the four factors proposed by Schimmelfennig and Sedelmeier will be combined with Sandholtz and Gray's perspective and linked to the levels of corruption in Romania and Bulgaria.

Firstly, I argue that the pre-accession period has positively influenced the levels of corruption in Romania and Bulgaria and has led to a decrease in such practices, while the post accession period did reach the expected results. Secondly, I intend to explain why the pre-accession process has been more effective in combating corruption in the countries discussed than the post-accession one, even though after 2007 a new anti-corruption mechanism was created and implemented by the European Commission. In accordance with other authors that have studied corruption in eastern countries and recognize the importance of the EU leverage,

my results confirm that the pre-accession program has been more successful than the post-accession one. An initial remark after studying the published data, even though quite obvious but nonetheless important, is that the levels of corruption in Romania and Bulgaria did not increase since the appearance of the first datasets in mid '90s. Moreover, a second initial observation is that the levels of corruption in these countries do not follow a linear path, as one might have expected, despite the fact that the accession process acts as a constant leverage.

Taking into consideration the strong connection that exists between the European pressure and national corruption that has been outlined in the above paragraphs, a first hypothesis emerges: 1. "The lower the pressure imposed by the European Union on Romania and Bulgaria, the higher the levels of corruption will be". Such be the case, it should be valid to say that the levels of corruption should be indirectly proportional with the applied pressure. In order to reach a conclusion about the fluctuations in time of the levels of corruption in Romania and Bulgaria, a mixed qualitative-quantitative set of information will be used. Furthermore, a second hypothesis refers to two of the most important periods for Romania and Bulgaria in their fight against corruption: 2. "The pre-accession program is more effective in diminishing the levels of corruption than the post-accession Cooperation and Verification Mechanism (CVM)". These two hypotheses represent the starting point of the analysis and are part of the explanation that will finally lead to an answer for our research question and will point out how much did the EU institutions help in the fight against corrupt practices. Chapter VI will discuss in detail the factors that make "Europeanization" an important tool in the combat against national corruption in Romania and Bulgaria while chapter VII will focus on the role of the media in detecting and publicizing corrupt practices.

Chapter IV: Research Design & Case Selection

As mentioned in the previous chapter, the intention of this exploratory study is to follow-up the fluctuations over time in the levels of corruption in Romania and Bulgaria and to identify the correlation between European pressure and corruption in both the pre and post accession periods. Furthermore, it has to be taken in consideration that until now the existing research has focused only on one of these time periods and no study has analyzed both at the same time. In the following paragraphs I intend to chart the research design that is going to be used throughout the investigation.

There are a number of reasons why I have decided to study Romania and Bulgaria and not other countries, all of those reasons referring to the similarities between the two of them. To begin with, both states had publicly acknowledged corruption and its negative effects, especially in the judicial system, in the late 90s. The similar economic background and the same political system in the two case studies have probably influenced the way corruption has manifested in the domestic context. More importantly, similar conditions were imposed by the European Union in order for Romania and Bulgaria to obtain the membership and their progress was strongly interlinked as they were scheduled to accede together on the 1st of January 2007.

In the past several years, corruption has given birth to intense debates both in the academia and in the international arena. In the academia, continuous research has been conducted in reference to the causes and effects of corruption as well as the definition of such an

abstract concept. At the same time, both national and international institutions have been engaged in discovering and tackling corruption or preventing it if possible.

Numerous explanations exist on how corruption grew to become a central aspect of today's political, but also economic and cultural life. In regards to corruption in East-European post communist countries, the appearance and growth of this phenomenon has two possible explanations: either it appeared as a response/alternative to the newly-formed weak democratic institutions or it is a continuation of communist practices. Either way, for now it is most prudent to say that corruption "*can be clearly linked to communism and its demise*"¹⁵, be it a legacy effect or a new phenomena.

In the present democratic regimes, all scholars interested in studying the concept of corruption have at their disposal three types of data: expert or informed opinion (Transparency International, Freedom House, World Bank), press reports (local and international), and/or legal proceedings or outcomes (Commission Reports, OECD, CVM). To better understand the evolution of corruption in Bulgaria and Romania, a combined qualitative/quantitative study is necessary as to create the best possible picture of the phenomena. To do this, I will make use of expert opinion in the form of the Corruption Perceptions Index (CPI, Transparency International), the Worldwide Governance Indicators (WGI, World Bank) and the Nations in Transit dataset (NIT, Freedom House) from the mid '90, 2004, 2007 and the present day. To complete the picture, qualitative data obtained from the national and international media as well as the Commission reports, the OECD Anti-Corruption Network for Eastern Europe and Central Asia program and the Co-operation and verification mechanism (CVM) will be presented in this thesis.

In order to analyze and observe the fluctuations in the levels of corruption, I will use as indicators different data sets and reports offered by international organizations like Transparency International, World Bank, Freedom House or the Cooperation and Verification Mechanism (CVM reports) issued by the European Commission. The Corruption Perception Index (CPI, Transparency International) and the Worldwide Governing Index (WGI, World Bank) present perceptions of corruption in several countries around the world, including Romania and Bulgaria,
15 Eleches, G. P. & Tucker, J.A., "Communism's Shadow: Historical Legacies, and Political Values and Behavior", p. 71

in a comparative manner, with sets of data being published annually since 1995. Freedom House “Nations in Transit” (NIT) reports also offer valuable insights in the evolution democracy and perception of corruption in the countries analyzed, with annual updates being published between 1999 and 2008. For this analysis I will make use of three charts (one for each dataset) that will depict the evolution of corruption in a comparative method in Romania and Bulgaria. These charts will consist of 4 highlights (time periods), 3 datasets and 2 countries and are going to be very useful in observing the fluctuations in the levels of corruption both in a cross-countries manner or longitudinally, from the ‘90s to the present. Furthermore, in order to be able to obtain the average for the three datasets used and to offer a clear picture of the fluctuations in corruption I have standardized the measuring systems of the indexes. Chapter five will offer more detail on these changes and the results obtained.

In order to thoroughly analyze the changes in levels of corruption in Romania and Bulgaria, longitudinal cross-country research will be used, beginning in 1999 and ending in 2012. With the final goal of trying to understand how Europeanization has influenced corruption in the two countries I have highlighted four periods of time that represent crucial moments in the evolution of Romania and Bulgaria. When analyzing the existing data on corruption, I will first look at the mid ‘90s when both states submitted their applications for EU membership and the first international reports were published. The second stage of interest is represented by the year 2004, when the Accession Treaty was signed by the two countries studied. The third highlight is represented by the 1st of January 2007, the day when full membership was obtained and also a turning point in the fight against corruption. The last highlight is the “present day”, 2011/2012. Studying the latest existing data will help to better asses if the process of Europeanization has had a positive effect in the fight to lower corruption in the domestic context. With the help of Schimmelfennig and Sedelmeier’s and Sandholtz and Gray’s theoretical frameworks I am going to confirm my hypotheses and demonstrate how high European pressure, either economic or normative, has lead to lower levels of corrupt practices in the two countries of interest.

All in all, this longitudinal study aims to offer a complete picture of national corruption levels since the period when Romania and Bulgaria started their application for EU membership and up to the present day, when these states are fully-recognized members. In the following

chapter, the fluctuations in the levels of corruption in Romania and Bulgaria will be studied over time using the data published by three different international indicators.

Chapter V: Corruption in Romania & Bulgaria

What does the data show?

Before looking at the data to see how corruption levels have changed in Bulgaria and Romania during the process of EU integration, a reminder of the concept of corruption and its features should be given here. Corruption has been defined in many ways, but the widely accepted and in the same time the most general and minimal definition is the following: “the misuse of public office for private gain”¹⁶. The advantage of using such minimal definition of the term is obvious, as it can travel and be applied to very different settings, like the ones in Bulgaria and Romania. Need be, further attributes will be added during the paper as to precise the definition.

For a better understanding of how corruption levels have changed since the year 1999 and until now, I have decided to use three different datasets that measure corruption in national settings and observe the fluctuations that happened over time in Romania and Bulgaria. Furthermore, I intend to combine the three datasets and the result will be an average between the published scores that will be translated in one clear conclusion on how corruption changed in the two countries.

What do the reports suggest...?

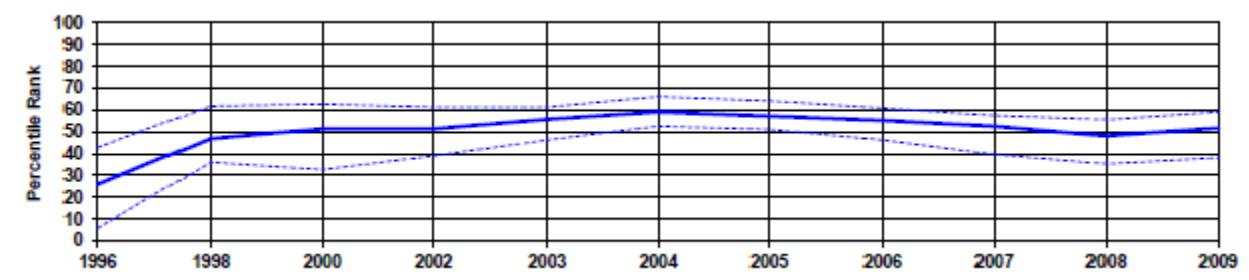
16 Sandholtz, W; Gray, M., “International Integration and National Corruption”, p. 1

There have been several reports written by international institutions like the World Bank (WB) or Freedom House (FH) in order to assess the progress obtained by Bulgaria and Romania. Furthermore, the European Commission has also created yearly reports that acknowledge the progress made by these countries and also emphasize the weak points that need further work. During this part of the paper, the reports of the World Bank and Freedom House will be discussed, as well as the official Co-operation and verification mechanism (CVM) reports issued by the Commission.

The first reports presented here will be the ones issued by the World Bank, because of the long time span that they cover. There are two reports that survey the evolution in the Control of Corruption indicator made by Bulgaria and Romania from 1996 to 2009.

In the case of Bulgaria, as it can be observed in Chart I below, corruption levels have improved until 2004 and then slightly regressed or stagnated until 2007. According to this data the process did not have the expected impact but despite this it has managed to keep corruption at an acceptable level in the Bulgarian setting. After accession, the corruption indicator shows some deterioration as a result of the fact that the initial incentive (EU accession) is gone.

Chart I: WGI chart, Bulgaria, 1996-2010. Aggregate Indicator: Control of Corruption¹⁷

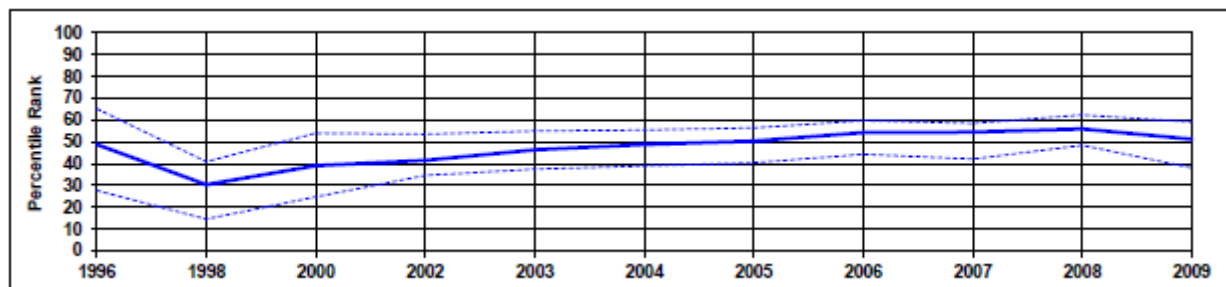


According to the Country Data Report for Romania, a much slower evolution can be observed but a constant one. Since 1998 Romania has persisted in a timid but continuous pathway of progression until 2007, when the EU integration took place. This evolution can be based on Sandholtz's theory of international integration, the effectiveness of the pre-accession process or the importance of incentives. What is interesting is that one year after accession, from 2008 to 2009, once the incentives and the pre-integration programs are gone, Romania's

¹⁷ World Bank Country Data Report for Bulgaria, 1996-2010

indicators start to regress while Bulgaria’s scorings progress. The chart below presents the evolution of Romania’s control of corruption indicator before and after the European Union integration.

Chart II: WGI chart, Romania, 1996-2010. Aggregate Indicator: Control of Corruption ¹⁸



The reports issued by Freedom House are more complex and discuss several factors that influence democracies, out of which I will focus on the corruption indicator. The 2007 report on Bulgaria emphasizes some improvements in tackling low-level and medium-level corruption, but no change in the higher levels¹⁹. Because of this, the score has remained 3.25, which suggests the need for further improvement. According to the 2007 report on Romania, corruption remains a problem both at the high and low level, but improvements are to be expected as the “anticorruption efforts appear more effective than ever”²⁰. Another important document for Romania, which to some extent contradicts the 2007 conclusions of NIT is the Anticorruption Policy of the Romanian Government Assesment Report created by Freedom House. This report

¹⁸ World Bank Country Data Report for Romania, 1996-2010

¹⁹ Country Report, Bulgaria, 2007 Edition, retrieved at <http://www.freedomhouse.org/template.cfm?page=47&nit=419&year=2007>

²⁰ Country Report, Romania, 2007 Edition, retrieved at <http://www.freedomhouse.org/template.cfm?page=47&nit=433&year=2007>

uses a harsh tonality describing the efforts to tackle corruption as inefficient because of the “action plan that looks like a Christmas tree full of too many things, some relevant, some less relevant for the fight against corruption”²¹. Going back to Bulgaria, the countries efforts to tackle corruption are presented in the 2006 report released by the Center for the Study of Democracy. According to this report, “the inability of the judiciary to handle internal corruption”²² is emphasized as one of the main problems. In the same time, the report insists on the need for a better coordinated European anti-corruption program if things are to change at the national level.

The document “Key findings of the progress report on the Cooperation and Verification Mechanism with Bulgaria” issued by the European Commission in 2007 begins by stating that Bulgaria has made mixed progress in meeting the benchmarks imposed by the CVM. The report acknowledges the good will and determination showed by the Bulgarian government in preparing the “necessary draft laws, action plans and programmes”²³ but insists that more time is needed to see if this plans will be correctly implemented. Overall, the 2011 report “On Progress in Bulgaria under the Co-operation and Verification Mechanism” concludes in the same way as the one in 2007, by recognizing the commitment of the government but bringing into attention the problems still existing in the high-level corruption domain.

In many respects, the 2007 “Key findings of the progress report on the Cooperation and Verification Mechanism with Romania” report is very similar to the one issued for Bulgaria in the same year, with the only difference being that Romania is considered to have made a small preogress in comparison to its neighboring country: “Romania has made progress in varying degrees in meeting the benchmarks set out”²⁴. In the same positive note, the 2011 report “On Progress in Romania under the Co-operation and Verification Mechanism” acknowledges the

21 Freedom House, “Anticorruption Policy of the Romanian Government Assesment Report”, p. 159

22 Center for the Study of Democracy, “On the eve of EU accession: Anti-Corruption reforms in Bulgaria”, 2006, p. 71

23 European Commission, CVM report, “Key findings of the progress report on the Cooperation and Verification Mechanism with Bulgaria, 2007

24 European Commission, CVM report, “Key findings of the progress report on the Cooperation and Verification Mechanism with Romania, 2007

improved efficiency of the judicial process but in the same time insists that high-level corruption is still not tackled consistently and that the strategy for justice reform still needs an action plan and a timetable.

The “Cooperation and Verification Mechanism for Bulgaria and Romania-Council conclusions” report issued by the Council of the European Union in september 2011 concludes that the legal framework for reform has been prepared in both countries and now needs to be correctly implemented. Once again, the Council appreciates the efforts of Romania and Bulgaria in pursuing the reform strategy but offers a reminder that the problems with corruption still remain, especially in referal to high-level corruption acts²⁵. The general trend though in the evolution of the countries is a positive one and the pathway to a greater level of transparency seems to be secured.

What do the numbers say...?

How did the levels of corruption in Romania and Bulgaria change since the '90s? This question has been the core of any research on the subject because of the common legacy the two countries have inherited from their former regimes. Political corruption in general and the relation between corruption, political parties and state institutions in particular were the main factors that supported the decision to reject Bulgaria's and Romania's request for immediate EU membership in 2004. The entangled relation between corruption, parties and state can be seen as a legacy from the communist regime, when “political party organization was closely intertwined – and often fused– with the state apparatus”²⁶. After the fall of the communist regime, this inheritance has discovered new fertile land for development under the form of corruption in the newly-formed democracies. The EU accession program recognized this problem and tried to tackle it in a combined national and international action throughout the entire pre-accession period and after it. In reality, the integration program can be seen as a “carrots & sticks” game in which the incentive for fighting corruption was the statute of EU member and the adjacent

25 Council of the European Union, “Cooperation and Verification Mechanism for Bulgaria and Romania-Council conclusions”, september 2011

26 Eleches, G. P.; Tucker, J.A., “Communism's Shadow: Historical Legacies, and Political Values and Behavior”, p. 7

benefits, while the biggest punishment took the form of delaying actions or even rejecting definitively the request.

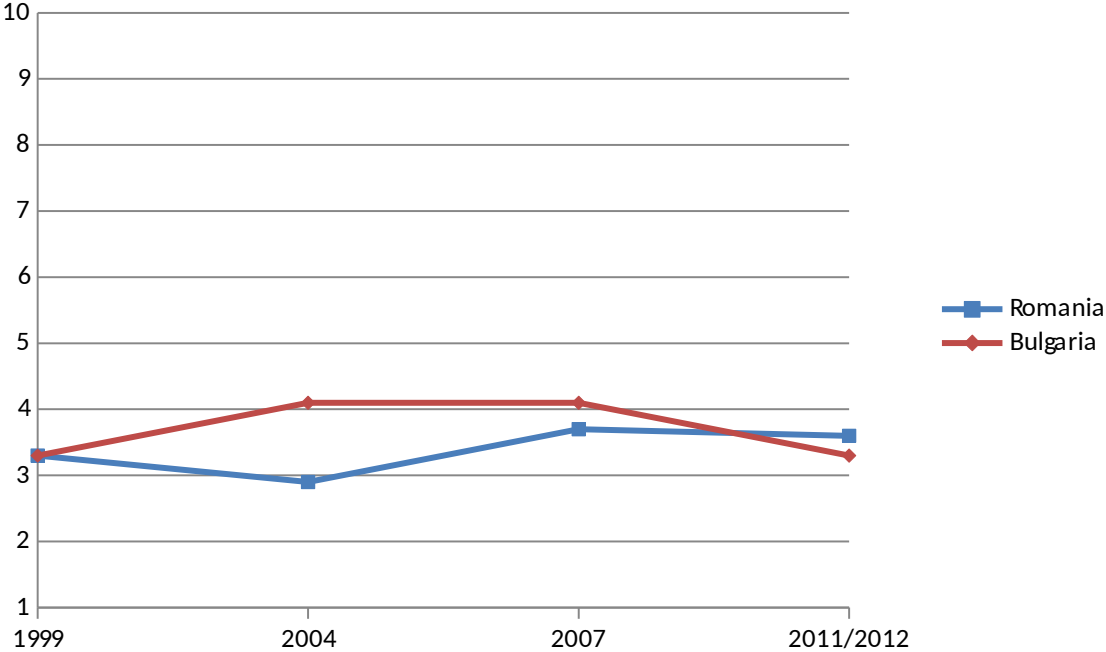
The two main datasets that measure corruption around the globe are the Corruption Perceptions Index (CPI) and the Worldwide Governance Indicators, but Freedom House also offers a dataset in the Nations in Transit research (NIT), which starts from 1999 and goes up to 2011. During this part of the thesis, the data offered by these institutions will be studied. For a better comprehension of the datasets, I decided to use the first reports in which both countries are measured (1999), the 2004 reports which represent the year in which Romania and Bulgaria should have been accepted in the European Union, the 2007 reports, the year of accession and the latest data package, the 2011/2012 one. The CPI, the WGI and the NIT will all focus on the same highlighted time periods in order to obtain standardized results. These datasets are highly appreciated among scholars as being the most valuable sources that measure corruption worldwide and will be very useful for this thesis as they can offer a general picture of the evolution of corruption in Romania and Bulgaria.

The Corruption Perceptions Index defines corruption “as the abuse of entrusted power for private gain”²⁷ and attempts to rank countries based on the perception of corruption in the public sector, on a scale from 1 to 10, where 10 represents a corruption-free country. The 1999 CPI report places Romania on the 67 place out of 99 countries, with a score of 3.3, while Bulgaria is situated on the 63 place, with 3.3 points. This information places the two countries in the lower half of the table, almost ten years after the regime change. The 2004 report presents a different story, with Bulgaria being placed on the 54 slot (score: 4.1) out of 146 countries and Romania on the 89 place (score: 2.9). According to the 2007 CPI report, Romania has managed to decrease its levels of corruption, being positioned on the 70 place out of 180 countries, with a score of 3.7 and Bulgaria has mainly stagnated at the same score of 4.1, occupying the 64 position. If looking at the latest CPI dataset, from 2011, one could observe that in general lines, both countries have deteriorated in rank, Romania being placed on the 75 position (score: 3.6) and Bulgaria on the 86 place (score: 3.3). Chart III shows the evolution of the CPI scores for Romania and Bulgaria since 1998 and up to the present. An initial analyze of the CPI data supports to some extent the hypothesis that the pre-integration period should have positive effects on the level of corruption.

27 www.transparency.org

Romania has shown improvement in this matter, from a score of 2.9 to one of 3.7, while Bulgaria has maintained its score of 4.1. What is very interesting is the fact that four years after the accession in the EU, in 2011, both countries show lower levels on the CPI scale. This clearly indicates the potential importance of incentives like EU acceptance, which can improve or maintain the fight against corruption. On the other hand, once the incentives disappear, the efforts to tackle corruption decrease and so the corruption increases.

Chart III: CPI scores over time (1999-2011/2012)



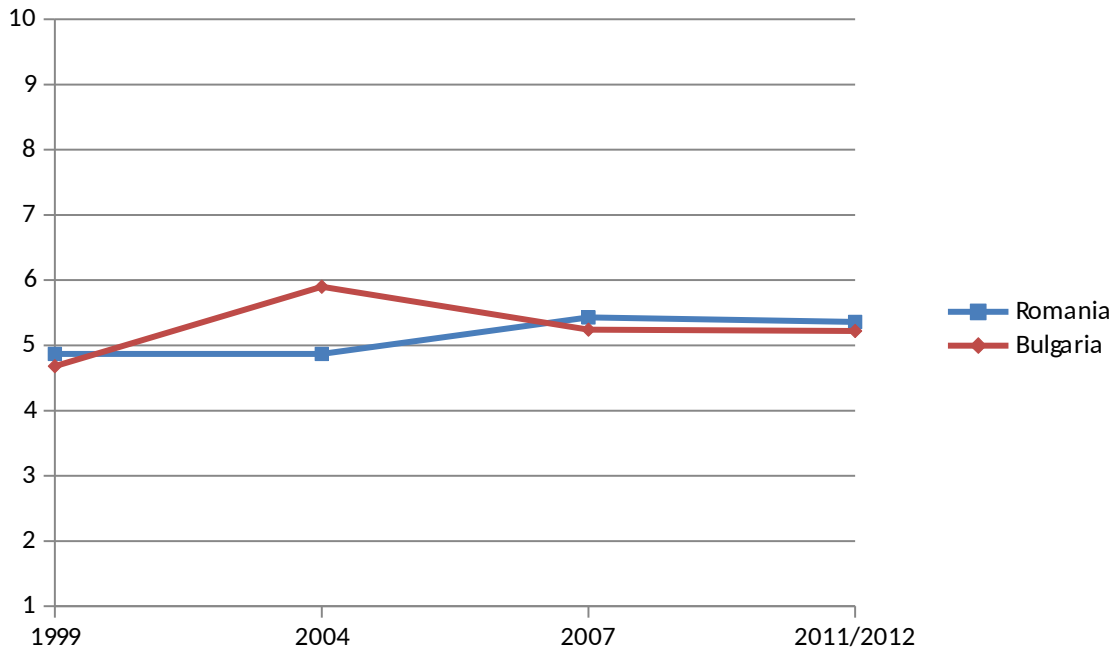
Even though only marginal improvement has been achieved since the beginning of the pre-accession process, in 2007 the two countries were more transparent than they used to be in the '90s. European leverage was powerful and effective for both countries up to the accession year. After accession, the leverage kept Romania's levels of corruption stagnating but it did not seem to have any effect in Bulgaria.

The WGI index and more precisely the Control of Corruption (CC) indicator analyzes the performance of countries on a scale ranging from 1 to 100, but in order to standardize the results and to be able to create an average between the indexes, I have decided to divide the numbers by 10 and to adjust the scale to comprise scores between 1 and 10. The index is based on "a large number of enterprise, citizen and expert survey respondents in industrial and developing countries"²⁸ and its objective is to study governance performance in different countries worldwide. If we look at the results of the 1999 report, it can be observed that Bulgaria has a score of 4.68 out of a maximum of 10 and Romania is scored with 3.02 which prove that both countries were seen by the World Bank as very corrupt. The 2004 WGI report, just like the CPI, shows an important improvement in Bulgaria's fight against corruption, achieving an estimate score of 5.9. Similar improvements in the fight against corruption are also seen in Romania and according to the WGI scale, the country scores 4.87. Taking these numbers into account, it can be stated that the initial deadline for the European integration of the two countries, the year 2004, has had a positive impact on the levels of corruption in both countries. After the European Union postponed the membership request forwarded by Bulgaria and Romania from 2004 to 2007, a sudden turning took place in the corruption indicators. In 2007, Bulgaria's scores dropped dramatically to 5.24 while Romania's scores improved to 5.43. The 2011 WGI index shows an almost insignificant deterioration in the control of corruption scores, with Bulgaria scoring 5.22 and Romania 5.36. Despite this small regression in the fight against corruption, the general trend since 2007 and up to the present implies a process of stagnation. Chart IV shows a graphic of the evolution of corruption in Bulgaria and Romania in the 1999-2011/2012 timeline and it also offers an overview of the influence the integration program has had in the two countries. It is clear that the integration process, respectively the 2004-2007 period, has had a positive effect in Romania but a rather controversial one in Bulgaria, an

28 www.worldbank.org

intriguing result taking in account that the pre-integration procedures should have resulted in important improvements in the corruption sector.

Chart IV: WGI scores over time (1999-2011/2012)

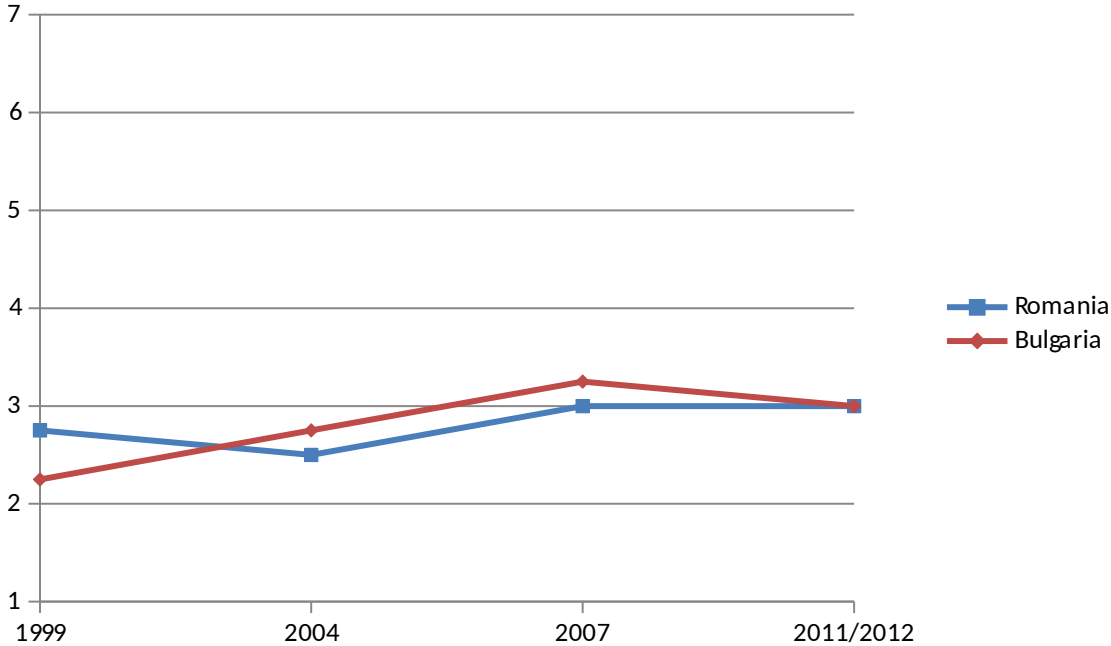


The third dataset in reference to the corruption ratings is offered by Freedom House in the Nations in Transit project and encompasses the time period from 1999 up to 2011. This study rates several new democracies on a 1 to 7 scale, 1 being the least corrupt and 7 the most corrupt²⁹. Once again, in order to standardize the results with the ones obtained in the previous datasets, I have decided to reverse the scale (1- least transparent and 7-most transparent) and recalculate the scores. According to this research, the year 1999 saw Bulgaria score 2.25 and Romania 2.75. Going further on the timeline, in 2004, Bulgaria obtained an improvement in ratings, scoring 2.75 while Romania was confronted with a small regression to a score of 2.5. From 2004 to 2007 both countries managed to achieve progress in their fight against corruption, Romania reaching its best ranking of 3.0 and Bulgaria a score of 3.25. The 2011 report acknowledges a stagnation for both countries to a score of 3.0. Even though the progress since the 90s and up to the present is visible, the two countries still find themselves at the lower

²⁹ www.freedomhouse.org

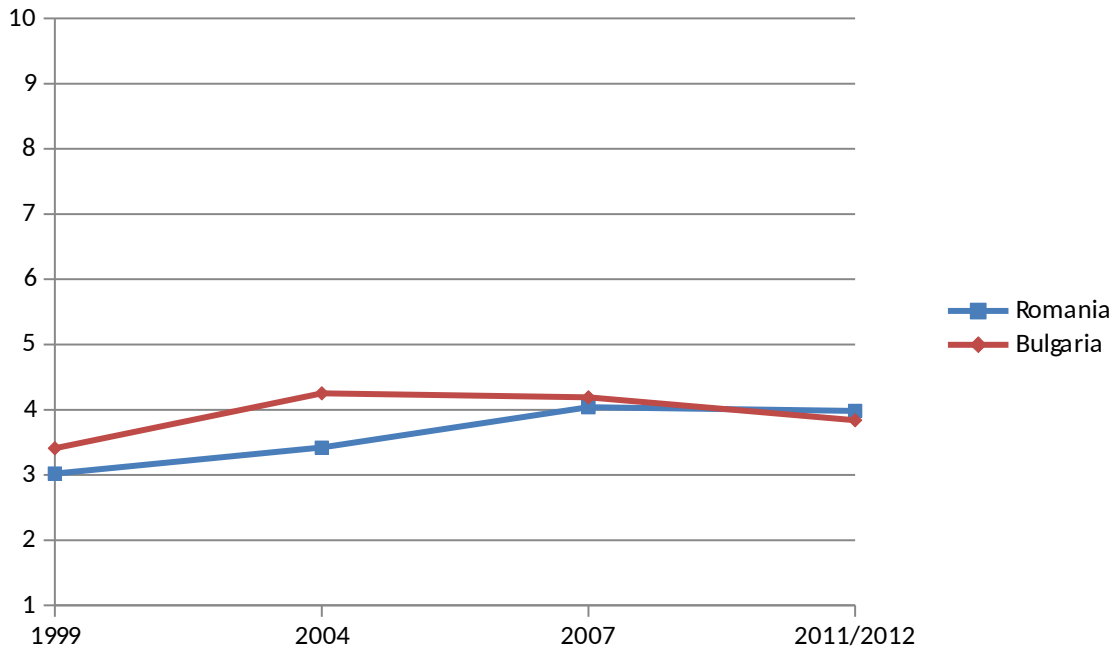
bottom of the new European members according to the corruption analysis conducted by this organization. Chart V summarizes the evolution of the levels of corruption and shows that the accession process has indeed altered the scores in a positive way, both countries evolving from the status they had back in 1999 to a better position in 2007.

Chart V: NIT scores over time (1999-2011/2012)



To offer an overview of this part, it has to be emphasized that in general the numbers obtained from the CPI, the WGI and the NIT do show a certain amount of progress in the corruption indicator during the pre-integration period of 2004-2007. While the results from the three sources slightly differ, an overall positive trend in the attempt to tackle corruption can be observed until 2007 as shown in the chart below.

Chart VI: Average for all three datasets over time (1999-2011/2012)



What has to be mentioned as well is the extent to which incentives, like the EU integration, are important in sustaining the fight against corruption. The CPI emphasizes the importance of incentives like the EU pre-accession program to decrease the level of corruption while WGI data presents deterioration in the control of corruption indicator after accession, once the major incentives have disappeared. The NIT strongly supports the importance of incentives as their data presents a constant development of the countries in the pre-accession time period. All in all, the average between the three datasets leads to a number of important conclusions that have to be kept in mind. Firstly, the data shows that both countries have tackled corruption in an effective manner up to the point of accession and have evolved since the first reports back in the '90s. Furthermore, it can be stated that the pre-accession process has proved to be effective in influencing Romania and Bulgaria to step-up their efforts in tackling corrupt practices, as shown by the above chart. If the pre and post accession periods are compared it can be observed that the first period has been effective while the second period has only managed to stabilize corruption in Romania but did not do so in Bulgaria. These results suggest that the European leverage helped combat corruption during the pre-accession process, when it was at its peak but after accession it only managed to keep the levels stagnating, at best.

One final point is that both the pre and post accession programs have sustained and encouraged the fight against corruption; while the pre-accession program has been more effective, the post-accession one has achieved only marginal changes but did not succeed in further improving the anti-corruption policies. In the next chapter I will look at the factors that influenced the levels of corruption and explain how and why the European leverage functioned in Romania and Bulgaria.

Chapter VI: “Europeanization”

After having discussed in detail the reports, datasets and numbers that analytically portray the levels of corruption in Romania and Bulgaria, it is only normal to ask ourselves what has determined the changes that occurred over time and what was the role of the European Union in influencing these changes. The results obtained from the analysis in the previous chapter have shown that indeed the countries have become more transparent since becoming candidate states,

especially during the pre-accession process. The data also confirms Vachudova's statement that "the EU's pre-accession process has had a vastly greater impact on reforming the state"³⁰ and during this chapter I will look at the possible factors that have sustained the fight against corruption.

K. J. Holsti emphasized in his work "International Politics. A framework for Analysis" a general model that consisted of two important factors that had to be taken into consideration in order to facilitate the process of rule adoption: "(1) the target of the influence act must perceive that there is a genuine need for the reward or for avoidance of the punishment, and (2) no alternative market or source of supply must be easily available to the target"³¹. Today, these factors are part of the "Europeanization" process and Schimmelfennig and Sedelmeier use them in their External Incentives Model. Furthermore, the EU has used these principles to improve its accession aid and the conditions that come with it and ease process of acceptance by national states.

Besides the promise of major economic benefits, there was another element just as important in proliferating the European norms and beliefs: the interest shown by the east European countries in accepting and being part of the "western values". But for these values to be accepted and correctly understood, the media in each country had to play an important role in "pin-pointing" corrupt practices and stigmatizing them. Looking back, it can be observed that this interest was great even in 1974, when Romania began to have its first official relations with the European Community. Furthermore, according to the NIT report, Romanian public showed great openness towards EU help in the fight against corruption³². In 1995, both countries submitted their application to become EU members, further emphasizing the interest they had in adhering to the European beliefs and norms.

30 Vachudova, M. A., "Corruption and Compliance in the EU's Post-Communist Members and Candidates", JCMS 2009 Volume 47 Annual Review, p.59

31 Holsti, K., J., "International Politics. A framework for Analysis", second edition, 1972, University of British Columbia, p. 245

32 Freedom House, Nations in Transit report, 2008

It is obvious to see that having been part of the “European culture” has influenced the two countries into adopting a more transparent attitude and this claim is supported by numbers offered by international organizations like Transparency International, World Bank or Freedom House. Despite the progress in combating corruption and the positive trend observed, the results are not as good as it was initially expected, when the process of pre-integration began and afterwards, when the Cooperation and Verification Mechanism was implemented. The following chapter is going to study the incentives and punishments that existed in the pre and post accession periods and apply the frameworks proposed by Schimmelfennig and Sedelmeier as well as Sandholtz and Gray’s in order to explain how these have managed to affect the fluctuations in corruption.

To begin with the research of the European incentives that affected the perception of corruption in Romania and Bulgaria I am going to apply Schimmelfennig and Sedelmeier’s “External Incentives Model” which they suggest is the best model that can explain the conditions needed for successful implementation of EU rules in national context. This extensive model studies the relation between EU and future member states, like Romania and Bulgaria were before 2007, as a rationalist bargaining process³³ based on the logic of consequences where the most powerful actor imposes its conditions over the other. This is an actor centered bargaining process in which promises and threats are exchanged in order for the conditions to be accepted, that is, the EU rules. Following this line of thought and the premises that EU membership is conditioned by the adoption of its rules, there are two major types of rewards that can be offered in exchange for successful adoption of the norms: assistance and institutional ties.

There are also the punishments, but those mainly refer to the postponement or refusal to offer financial or institutional aid to the candidate states as the EU strategy is based on the concept of reinforcement by reward. All in all Schimmelfennig and Sedelmeier consider that the cost-benefit balance is influenced by four factors: “determinacy of conditions, credibility of threats and promises, size and speed of rewards and size of adoption costs”.³⁴ In the following

33 Schimmelfennig, F. & Sedelmeier, U., “The Europeanization of Central and Eastern Europe”, Cornell University Press, 2005, p. 10

34 Idem. p. 12

paragraphs these factors will be analyzed one by one and linked to the levels of corruption in Romania and Bulgaria in order to see how they influenced the results obtained in the previous chapter.

The determinacy of conditions is understood as the clarity and formality of EU rules. Clear conditions facilitate their acceptance and success in implementing. A higher degree of transparency in creating and implementing anti-corruption policies as well as assimilating European funds were the conditions that Romania and Bulgaria had to fulfill in order to obtain the membership status. The two countries had to adopt and implement the *Acquis Communautaire* and were especially urged to step up the fight against corrupt practices. The determinacy of the conditions for membership forced the governments of Romania and Bulgaria to create new and more effective anti-corruption policies and in the same time it tied the European Union to respect the contract and offer the reward: full membership. This first factor is interlinked with the second one, which is the credibility of threats and promises and together represent the basis for any successful condition: clarity and credibility.

The credibility of conditionality (threats and promises) has determined Romania and Bulgaria to accept the conditions imposed on them by the Union. The reinforcement by reward method was initially based on the willingness of the states to participate in such a contract. The participation in an EU-nation state contract in which the EU would support the anti-corruption fight under certain conditions seemed attractive for RO and BG even in 1995, as has been mentioned earlier. The credibility of the EU could manifest itself in only two ways: either by withholding the reward (in case of noncompliance) or by delivering the “prize”. The European Union applied Schimmelfennig and Sedelmeier’s “credibility of conditionality” factor in 2008, when approximately “486 million Euros”³⁵ were suspended from the funds made available for Bulgaria. This action ensured the credibility of the enlargement process and was intended to be a warning for the Bulgarian government to step up their efforts in tackling corruption. In addition, such an action has also confirmed the fact that the EU was able to withhold the financial reward at little or no cost, unlike Bulgaria who was deeply affected by the loss of the aid. Furthermore, the threat of future suspensions of EU funds was now more realistic and credible than ever

35 Reuters, “UPDATE 3-EU slams Bulgaria on corruption, suspends funds”, July 2008, available at <http://www.reuters.com/article/2008/07/23/eu-bulgaria-idUSL23102522720080723>

before, not only for Bulgaria but for Romania as well. The two authors suggest that assistance and association are more important than accession but the results obtained in the previous chapter prove otherwise. Despite the assistance and association that have maintained after accession as well, the data shows that the fight against corruption in Romania has stagnated while Bulgaria's situation has slightly deteriorated. Credibility of EU conditionality was also facilitated by the lack of an alternative for Romania and Bulgaria, just as Holsti had suggested back in 1972. Also, another factor that offered credibility to the collaboration between EU and the states was the capacity of the European Union to monitor the progress. This was an innovative element of the accession process and consisted of constant progress reports of the compliance of Romania and Bulgaria with the Acquis. These reports represented an additional pressure on the countries to adopt and implement the Acquis, together with important anti-corruption policies and for the first time this verification mechanism was extended after accession as well.

The third factor that facilitates EU rule adoption and implementation of national anti-corruption policies is the size and speed of rewards. The promise of enlargement represents the highest reward a state can obtain and in accordance the impact of EU conditionality should be more powerful when closer to the accession date. This factor is also applicable to the financial assistance candidate states receive during the pre-accession process: higher financial aids and faster payments will encourage states to comply with EU conditionality. The size and speed of financial rewards especially, is probably the most important factor that determined Romania and Bulgaria to adopt EU rules and most importantly, to try and tackle corruption, thus disturbing the domestic status quo.

The size and speed of rewards in Romania and Bulgaria mostly refers to the financial assistance that was received during the pre-integration process and consisted of three major economic programs: PHARE, ISPA (Instrument for Structural Policies for Pre-Accession) and SAPARD (Special Accession Programme for Agriculture and Rural Development). In regards to Romania, the country received a total of approximately 1.2 billion Euros³⁶ in the time period 1992-1999. In order to achieve the objectives set up in the pre-accession strategy, the European

36 The Accession Partnership with Romania, retrieved from http://europa.eu/legislation_summaries/enlargement/2004_and_2007_enlargement/e40108_en.htm

Union decided to give more funds and during 2000-2003 Romania received approximately 660 million euro per year, through the three pre-accession instruments. From 2004 and up to 2006 Romania received around 2.8 billion Euros to continue policy implementation towards reaching the imposed benchmarks. PHARE is the main instrument of assistance and focuses on two priorities: institution building (with the role of strengthening the administrative and institutional capacity, thus, in our case, reducing corruption) and investment support (financing of investment to bring firms and infrastructure into line with the European standards). Its role continuously increased, aiming at supporting the preparation for the EU accession, through concrete measures at the regional level (institution building and investments in Economic and Social Cohesion or cross border cooperation programs) which ultimately leads to Schimmelfennig and Sedelmeier's second type of reward, institutional ties. The PHARE funds also supported several national programs in Romania, one of the most important being the Anti-Corruption and Anti-Fraud program for the protection of the financial interests of the Community³⁷, with Romania having received 405.3 million euro through the PHARE Program only in 2004. Regarding ISPA funding, during 2000-2006, Romania benefits of approximately 240 million euro per year to be invested mainly in environment and transport infrastructure. The third financial instrument, SAPARD, for rural development in candidate countries, enhanced the possibility for Romania to receive another 2 billion Euros to help implement the Community Acquis in matters of the common agricultural policy and related policies during the 2000-2006 periods.

In reference to Bulgaria's pre-accession assistance, the European Union also raised the amount of money received by the country in the 2004-2006 periods, just as in Romania's case. This was done in order to boost the leverage imposed by the EU in the pre-accession period, with Bulgaria receiving around 400 million Euros per year reaching 2% of its GDP³⁸, a very important income for the national budget. The PHARE funding was used for several national programs that facilitated the implementation of the European Acquis Communautaire but also supported the Cross-Border Co-operation (CBC) program and the Multi-Country & Horizontal Program. ISPA was established by Council Regulation No. 1267/1999 in June 1999 to enhance economic and

37 <http://www.infoeuropa.ro>

38 Pre-accession Assistance, Bulgaria, retrieved from http://ec.europa.eu/bulgaria/finance_business/pre-accession/index_en.htm

social cohesion in the applicant countries of Central & Eastern Europe for the period 2000-2006³⁹ and entitled Bulgaria to a total of 440.5 million Euros. For the SAPARD funding, it was decided that up to 50% of the costs for national programs of rural development will be financed by the European Union.

If we look at the funds obtained by Romania and Bulgaria through the three financial pre-accession instruments it is easy to detect that they represent a very important income for the two countries and could act as a powerful leverage mechanism to stimulate rule adoption. For the distribution of the resources between these countries, criteria based on population, per capita GDP and land surface area have been used⁴⁰. At a theoretical level it can be observed that the two major incentives proposed by Ulrich Sedelmeier in his work “Europeanisation in new member and candidate states”, assistance and institutional ties, are intertwined and are part of one of the channels through which the EU exercises its influence: the intergovernmental one⁴¹. Using this channel of transfer the European Union has applied the four factors of pressure proposed by Schimmelfennig and Sedelmeier and has managed to put pressure directly on the national governments. EU conditional rewards, especially the pre-accession financial aid, have sustained and encouraged the fight against corruption and the results were visible, Romania and Bulgaria having obtained their highest scores since the appearance of the first datasets. Furthermore, the results confirm the premises that EU enlargement is the highest reward for states from two different perspectives. For Romania the scorings reach their best value in 2007, the accession year, while for Bulgaria the scorings are the best in 2004, the initial year of accession.

The final factor proposed by the two authors as important in assuring compliance refers to the veto players and the adoption costs and it is considered to be the decisive factor if there are determinate rules, credible conditionality and equally beneficial rewards. The External Incentives

39 ISPA Programme, Bulgaria, retrieved from:

http://ec.europa.eu/bulgaria/finance_business/pre-accession/ispa_en.htm

40 “Agenda 2000”, retrieved at http://eur-lex.europa.eu/smartapi/cgi/sga_doc?smartapi!celexplus!prod!DocNumber&lg=en&type_doc=COMfinal&an_doc=1997&nu_doc=2000

41 Sedelmeier, U, “Europeanisation in new member and candidate states”, *Living Rev. Euro. Gov.*, Vol. 1, (2006), No. 3, p. 9

Model assumes that adoption costs and the change in domestic equilibrium are always costly but in the same time are balanced by the possible rewards. This assumption is valid in the case of Romania and Bulgaria and is visible if looking at the importance of European financial funds that represent an important income for the national budgets and act as strong incentives for compliance. Furthermore, “the number of veto players is considered to be small in the CEECs”⁴² and it is the case in Romania and Bulgaria.

In sum, the process of “Europeanization” in Romania and Bulgaria applied the highest pressure during the pre-accession process, when all of Schimmelfennig and Sedelmeier’s factors were put into practice. Firstly, the conditions for accession were clear: both countries had to immediately and effectively start combating corruption in order to have access to financing and membership. Secondly, regarding the credibility of conditions, a very powerful statement was made by the EU in 2008 when Bulgaria’s financial aid was suspended. In the same time, the impressive amount of structural funds that were made available for the two countries during pre-accession and the quick disbursement increased the trust of the governments in the EU, thus applying the factor “size and speed of reward”. If put into balance, the adoption costs in RO and BG were smaller than the rewards and that made the adoption of EU rules easier. All in all, as shown in the previous chapter, the fight against corruption was at its peak during the pre-accession process and this was made possible by the successful application of all four factors combined.

Sandholtz and Gray’s framework is also focused on European funding but insists more on the usefulness of this aid in the fight against corrupt practices and the importance of the European multiculturalism in delegitimizing and stigmatizing such practices. I will start by looking at the post-accession financial benefits that were offered to Romania and Bulgaria in order to continue the fight against corruption. After the 2007 accession, the incentive of becoming an EU member and the access to pre-integration funds disappeared but were replaced with a different form of assistance. This in turn was expected not to influence in any major way the fight against corruption or the existing level of this phenomenon. In the post-accession period there were two major changes for Romania and Bulgaria: new types of financial assistance

42 Schimmelfennig, F. & Sedelmeier, U., “The Europeanization of Central and Eastern Europe”, Cornell University Press, 2005, p. 17

replaced the older ones and the Cooperation and Verification Mechanism (CVM) was implemented. The “Balance-of-payments assistance (BoP) to Romania” program for the 2009–2011 offered different financial advantages that stimulated a continuous effort to align to the Acquis. Romania reached an agreement with the EU to have access to multilateral financial assistance with an overall amount of € 20 billion, to which the European Community contributed with € 5 billion under the balance-of-payments assistance program, disbursed in 5 installments⁴³:

€ 1.5 billion released 27 July 2009

€ 1 billion released 11 March 2010

€ 1.15 billion released 22 September 2010

€ 1.2 billion released 24 March 2011

€ 150 million released 22 June 2011

For the 2011 - 2013 BoP pre-cautionary assistance programs, a new package of financial assistance of up to 1.4 billion Euros will be made available for Romania in order to consolidate its financial stability.

After the accession, Bulgaria became eligible for the European Structural and Cohesion funds and received throughout the 2007-2009 period a total sum of 4.4 billion Euros under the 2004 agreement with the European Union in order to facilitate further progress in reaching a higher level of transparency⁴⁴.

The second important possible leverage suggested by Sandholtz and Gray’s framework is European inter-cultural exchange, which is greatly facilitated by the media as it will be explained in the chapter Role of Media (below). In general, inter-cultural exchange helps in promoting

43European Commission, 2009 - 2011 BoP assistance programme, retrieved at http://ec.europa.eu/economy_finance/eu_borrower/balance_of_payments/romania/romania_en.htm

44European Commission, Financial Assistance, retrieved from http://ec.europa.eu/bulgaria/abc/pre_accession/financial_assistance/index_en.htm

transparency and stigmatizing corrupt behavior, as shown by the results obtained by the two authors in their study: “participation in international organizations creates channels for the diffusion and absorption of international anti-corruption norms”⁴⁵ which is made possible by the media as a major channel of international flow. This concept of international social pressure used to stigmatize corruption is also found in Sedelmeier’s work, “Europeanisation in new member and candidate states”, as the second major channel of EU influence: the societal one⁴⁶. The general structure also applies in the cases of Romania and Bulgaria with citizens becoming more aware of the negative effects of corruption and also of the fact that there are ways of combating this phenomenon.

The frameworks discuss about economic and cultural/social benefits which are used as rewards by the EU for successful implementation of policies. There is one other leverage that seem not to have been taken in account by these approaches and that is the accession safeguards that were incorporated in the accession treaty for Romania and Bulgaria. If one would revisit the earlier accession treaties and programs it would be easy to observe that none included safeguard clauses that would offer legal power for the EU to take action in national contexts. The 2007 treaty instilled that three years after the accession of Romania and Bulgaria, the following clauses may still be triggered if the benchmarks were not reached⁴⁷:

-“a general economic safeguard clause (Article 36): It is a traditional trade policy measure. It aims to deal with adjustment difficulties which an economic sector or area in either old or new Member States may experience as a result of accession. The European Commission may then decide such measures. They can be decided only after accession and shall not entail frontier controls.”

45 Sandholtz, W. & Gray, M., “International Integration and National Corruption”, p. 46

46 Sedelmeier, U, “Europeanisation in new member and candidate states”, *Living Rev. Euro. Gov.*, Vol. 1, (2006), No. 3, p.9

47European Commission, Romania - EU-Romania, retrieved from http://ec.europa.eu/enlargement/archives/romania/eu_romania_relations_en.htm

-“a specific internal market safeguard clause (Article 37): If Romania fails to implement internal market legislation with a cross border effect and this risks a serious breach in the functioning of the internal market, the European Commission may take safeguard measures. Such safeguard measures may be taken until 3 years after accession, but they may be applicable beyond that date until the situation is remedied. The internal market safeguard clause covers the four freedoms and other sectoral policies such as competition, energy, transport, telecommunication, agriculture and consumer and health protection (e.g. food safety).”

-“a specific justice and home affairs safeguard clause (Article 38): If there are serious, or imminent risks of serious shortcomings in Romania in the transposition or implementation of EU rules relating to mutual recognition of judgements in criminal or civil law, the Commission may, after consulting the Member States, take safeguard measures. Safeguard measures in this area may be taken until 3 years after accession, but they may be applicable beyond that date until the situation is remedied.”

The process of Europeanization is mostly based on a costs-benefits model consisting of rewards or punishments that are applied as a response to the degree of compliance states are willing to accept. The factors suggested by Schimmelfennig and Sedelmeier determine governments to adopt EU rules as part of the reinforcement by reward process and thus sustain and accelerate the fight against corrupt practices in national frameworks. On the other hand, Sandholtz and Gray emphasize the importance of the integration of the society in the European norms and also the importance of raising awareness of the negative influence that corruption has and how it can be tackled. They consider that the adoption of rules is not motivated only by economic rationality but also by the desire of actors to act in a justifiable way and in accordance with European norms that consider corruption to be a destructive behavior. The pre-accession has proven to be more effective than the post 2007 one because of the multitude of rewards and because of the credibility of the EU to withhold these incentives. During the post-accession period the highest reward, accession, had disappeared and consequently the credibility of the EU diminished. To this logic, the effectiveness of the post-accession period did not reach the expectations, in spite of Schimmelfennig and Sedelmeier’s opinion that “continuous and effective monitoring and sanctioning” should further support national fight against corruption. The Cooperation and Verification Mechanism that has constantly monitored the evolution of

Romania and Bulgaria only managed to keep corruption levels at a certain level but did not improve the transparency in the Romania and Bulgaria. Future research should probably focus also on the importance of promoting European norms that stigmatize corruption with the help of the media in order to impede corrupt practices.

Chapter VII: Role of Media

Case study: MEP Adrian Severin

European norms that stigmatize and delegitimize corruption are recognized to be a very important factor in the fight against the phenomenon by most scholars like Milada Anna Vachudova or Sandholtz and Grey and even though these norms do not fit into a rational model, they cannot be undermined. It also has to be mentioned that the media is decisive and perpetuating and transferring these norms from the European level to the national frameworks and this will be the focus of the chapter. In the next paragraphs the importance of the media in combating corrupt practices will be emphasized and in order to do this I will look at the case of Adrian Severin and the “cash for laws” scandal.

The “cash for laws” scandal was made public in the beginning of 2011, when three senior MEPs were accused to have allegedly taken bribes from Sunday Times journalists in order to propose certain amendments in the European Parliament. Even though three MEPs were accused this part of the thesis will only focus on the case of the Romanian EP, Adrian Severin, in order to show that these allegations did not come unexpectedly. Furthermore, this high level corruption scandal that affected both Romania and the European Union is a clear indicator of the role played by the media in detecting and sanctioning corruption.

The scandal in which Adrian Severin, at that time vice-president of the Parliament’s Socialist group, began when he was accused to have taken a bribe “of up to 100,000 Euros from undercover reporters posing as lobbyists”⁴⁸ in order to propose certain laws in the Parliament. The information that is valuable for this thesis in order to portray how high level corruption is perceived in the Romanian national framework was given by the accused EP. After having taken action towards proposing the necessary laws, Adrian Severin requested a 12,000 Euros bill for “consulting services”, thus incriminating himself. Even after videotapes were published by the media, the Romanian official, unlike the other two MEPs, still considered that he had done nothing wrong. His statement proves indeed that high level corruption in Romania is still an issue that has to be tackled, despite the progress obtained in combating medium and low level corrupt practices: “I didn’t do anything that was, let’s say, illegal or against any normal behavior we have here.”⁴⁹ In order to deter attention from his case, he even asked the European Parliament to look into legal actions against the journalists who had “framed” him.

48 Euronews, “European Parliament probes corruption claims”, available at <http://www.euronews.com/2011/03/21/european-parliament-probes-corruption-claims/>

Despite the attempts of MEP Adrian Severin, the allegations were probed with evidence by the journalists, a fact that was recognized by the EU and also Romania, through different officials. As a response to the accusations, rapporteur Francesco Enrico Speroni forwarded a proposal for the European Parliament to “waiver the immunity MEP Adrian Severin”⁵⁰ in June 2008, a proposal that was voted in a plenary session and passed.⁵¹ Furthermore, the important role played by the media was also recognized by Romania’s Anti-Corruption Department (DNA), admitting that the initial inquiry began “after national and international media brought the corruption scandal to light”.⁵² In the initial stages of the scandal, Adrian Severin refused to step down from his MEP seat despite the suggestions of Martin Schulz and Hannes Swoboda, deputy president of the Socialist Group from the EP, who stated that “any case of corruption or semi corruption is totally unacceptable”.⁵³

The case of Adrian Severin, discovered and probed by the media, is indeed an exception but in the same time it is a proof that the media can help in combating corruption and is effective in stigmatizing and delegitimizing this type of behavior at both European and national level.

49 Idem.

50 European Parliament, “Report on the request for waiver of the immunity of Adrian Severin”, June 2011, available at <http://www.europarl.europa.eu/sides/getDoc.do?type=REPORT&reference=A7-2011-0242&language=EN>

51 European Parliament, “Parliament waives the immunity of Romanian MEP Adrian Severin”, June 2011, available at <http://www.europarl.europa.eu/news/en/pressroom/content/20110622IPR22336/html/Parliament-waives-the-immunity-of-Romanian-MEP-Adrian-Severin>

52 European Research Center for Anti-Corruption and State building, “Romania’s Anti-Corruption Department to Investigate Mep Adrian Severin”, May 2011, available at <http://www.againstcorruption.eu/?articles=romania-s-anti-corruption-department-to-investigate-mep-adrian-severin>

53 Daily News/Romania Insider, “Romanian MEP Adrian Severin caught-up in corruption scandal, withdraws from Socialist group”, March 2011, available at <http://www.romania-insider.com/romanian-mep-adrian-severin-caught-up-in-corruption-scandal-withdraws-from-socialist-group/20795/>

More importantly, taking into account that after 2007 the Cooperation and Verification Mechanism did not reach the expectations in effectively sustaining the fight against corruption, especially high level corruption like this case, then maybe it would be useful in the future to look at additional “rewards or punishments” that can be used.

The media is important in proliferating European norms and also in acting as an “informal verification mechanism” that keeps corruption at the rank of top priority. Furthermore, the media can often give an impression of how corruption is perceived in countries like Romania and Bulgaria. Once again I have to state that the case of Adrian Severin does not come as a full surprise and to some extent it even emphasizes the importance of continuous efforts of the EU in applying pressure on these states to step-up the implementation of anti-corruption measures. The efforts of the Romanian press have helped publicize this case but bring attention to that fact that this might be just “the tip of the iceberg” and also explains to some extent the attempt of Adrian Severin to deter attention: “The Severin case shows how important EU membership is. We can’t keep sweeping the dirt under the carpet...imagine what would have happened with such a corruption scandal if Romania hadn’t been a member of the EU. The whole story would have disappeared after one day. The Romanian politicians would have been presumed innocent until proven guilty...Here, for a bribe of 100,000 Euros, and a 12,000 Euro advance, nobody would have resigned. Ever. Those involved in privatisation scams and road building tenders wouldn’t have even got out of bed for that money.”⁵⁴

It is important to note that positive results were obtained when all incentives were used by the EU and the accession reward was available but also to bring attention to the fact that if possibly new types of pressure, like the European and national media, would be used in the correct manner than these could prove to be very effective in combating corruption and improving the results of the post-accession process.

54 The Economist blog, Eastern Approaches, “Corruption allegations in the European Parliament: He won't back down”, March 2011, available at http://www.economist.com/blogs/easternapproaches/2011/03/corruption_allegations_european_parliament

Limitations & Conclusions

The limitations of this thesis are strongly linked to the concept of corruption and its measurement. First of all, one could see corruption as being “Pandora’s box”, as to try to precisely identify and measure this phenomenon can be extremely difficult. Secondly, the existing international datasets do not quantify corruption in an objective manner but rather the perception of corruption in national environments. Even so, these international “tools” of measuring corruption are often used and appreciated by scientists because of their comparative approach, offering insights on which state is more or less corrupt. Another limit of this paper that has to be mentioned here is the use of only two countries in the analysis, as I have focused solely on Romania and Bulgaria for several reasons. The central reason for doing so is that these are the only countries that acceded in 2007 and were confronted with the same problems but also the same “solutions” comprised in the pre-integration program. The findings of this research should offer an overview of the degree to which Europeanization has modified the levels of corruption in Romania and Bulgaria since 1995, when the applications for membership were submitted and up to the present. Special emphasize was placed on the financial benefits and European norms, that should prove to be powerful tools in the fight against corruption and the comparative approach of this thesis, both cross-country and longitudinally, has helped outline the changes that took place in time.

There are several observed patterns in the levels of corruption between the 3 datasets. First of all, a longitudinal study of all three indicators lead to the conclusion that Bulgaria progressed between the mid '90s and 2004 period while Romania was faced with a slight regression, thus one country becoming more transparent and the other more corrupt. What is important is that the pre-accession process seems to have been effective as the average scores show improvements in both countries during the 2004-2007 periods. In the five years CVM post-accession period, the estimate for Romania was stagnation and Bulgaria was confronted

with a slight regression in regards to the perception of corruption by international indicators. The fact that the post-accession process did not reach the expected results might be an indicator of how important the incentive of accession was for Romania and Bulgaria and once it was consumed the fight against corruption started to stagnate. The Europeanization process, taken as a whole and including both pre and post 2007 periods, lead to the diminishing of corrupt practices, even though it did so at a very slow rate. The post-accession process is in need of improvement in order to comprise new incentives that can successfully replace the ones that disappeared in 2007. Doing so will recharge the power of the EU leverage and lead to a reinforced fight against national corruption. Even though the levels of corruption remained high in both countries, the pre-accession process lead to an improvement in the corruption levels and Romania and Bulgaria progressed towards a generally European accepted medium-level. When the two highlighted periods were compared, it became clear that the best results were obtained in the pre-accession period, when the incentive of becoming a full EU member was much stronger, as were the promises of future benefits if the two countries aligned to the *Acquis Communautaire* and the European norms.

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