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SCIENTIFIC ARTICLE

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IS THE CYPRUS PROBLEM UNSOLVABLE? THE GEOPOLITICAL TRAP OF THE WEAKEST STATE

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The analysis aims to show the difficulties that small, weak and occupied states face in conducting foreign policy, especially when their adversaries are important regional powers. More specifically, it seeks to shed light to their efforts to implement successful grand strategies that will help them solve their protracted conflicts. Using the Cyprus problem as a case study, we attempt to explore the domestic, regional and international factors that prevent the settlement of the conflict. In this regard, we aim to elaborate a new theory of conflict management that upon further research could lead to a new theory of conflict resolution.

Key words: the Cyprus problem, asymmetrical conflict, grand strategy, conflict resolution, neorealism

INTRODUCTION

This article aims to explore and shed light to the tremendous difficulties that small, weak, ethnically divided and occupied states face in their foreign policies, especially when they attempt to develop a successful grand strategy that will support their efforts to settle their protracted conflicts. For the purposes of the analysis, we coined a new phrase—the ‘geopolitical trap of the weakest state’ or ‘the syndrome of the geopolitically trapped state’. We will attempt to elaborate a new theory of conflict management based on geopolitics, which could lead to a new theory of conflict resolution, using the Cyprus problem as a case paradigm.



Although we do not totally reject pluralist-liberalist approaches, we firmly believe that they do not ascertain the root causes and therefore do not propose sufficient remedies for perplexed international questions such as the Cyprus problem.

More analytically, in this analysis, we will illustrate the lack of manoeuvre and options for small and weak states when they confront important regional powers that not only possess enhanced military capabilities but also retain great geopolitical influence because of their important geopolitical position. In this regard, their actions may affect the regional and the global distribution of power.

Focusing on the Cyprus question, we will provide the main parameters that render it so difficult to solve. At some points, we will juxtapose the Cyprus problem with another perplexed international question, the Palestinian-Israeli problem. Moreover, we will highlight the Irish question (Cochrane 2013), a problem that has been solved.¹ The Lebanon case is also another illustrative and useful paradigm for our analysis. However, a full comparative analysis of the aforementioned conflicts cannot be made, and it is beyond the scope of this article.

The Cyprus problem falls into the 'asymmetrical conflicts' (Mitchel 1995) category. Hence, its solution is impeded mainly by the imbalance of power (Bercovitch 1996, 22–23)² between Turkey and Turkish Cypriots on the one hand and Greece and Greek Cypriots on the other hand. Therefore, we will expound

1 We do not claim that the Cyprus problem and the conflict between Catholics and Protestants in Northern Ireland are identical since many differences exist between the two conflicts. For example, as regards Cyprus, one of the main obstacles to peace is Turkish occupation, whilst in Northern Ireland, nationalists and unionists dwell in the same piece of land without any separation between them. However, as regards the psychological dimension of the conflict, many similarities are found: two rival factions with mutually incompatible ambitions and deep suspicions about others' intentions.

2 According to various studies in the field of international mediation, a clear pattern emerged showing high mediation impact when power capabilities were evenly matched and low or no impact when power disparity was high.



our analysis using primarily systemic theories of international politics (neorealism), whilst at the same time, we will not underestimate the gap between the two sides that is provoked because of mistrust, fear, stereotypes³ and so on. We believe that all levels of analysis are important to understand the dynamics that shape the Cyprus problem.

As Kenneth Waltz (1954) has shown in his influential book *Man, the State, and War*, whilst the analysis of the third level (international system) is the most important, the analyst must not disregard the other levels to understand the causes of war/conflict in the international system. Moreover, neoclassical realism⁴, which incorporates unit and domestic decision-making factors to the analysis, could be a useful tool for the scope of this article.

HISTORICAL BACKGROUND

The Cyprus problem sparked in the 1950s as a colonial conflict against the colonial power, Great Britain. The Greek Cypriots (GCs) based their revolt against the colonisers on the principle of self-determination (Nirmal 1999). However, the whole issue was becoming more complicated as the revolt was occurring since there was a Turkish minority of 18% of the population on the island. The Turkish Cypriots (TCs) were deeply alarmed by the Greek Cypriots' demand for union (enosis), with Greece demanding for their part their own self-determination that, if applied, would lead to the division (taxim) of Cyprus. On their part, they could not imagine a bright future as a minority in the Greek Republic despite the assurances given to them that their human rights would be safeguarded.

-
- 3 The hopeful thing is that all these psychological elements were more than present in the Irish question: thousands of deaths, hatred, mistrust and so on. Despite these aforementioned characteristics of the conflict, the problem has been solved, and despite some sporadic incidents of violence, there is peace in Northern Ireland.
 - 4 Steven E. Lobell, *Neoclassical Realism, the State, and Foreign Policy* (Cambridge: Cambridge University Press, 2009).



On its part, Great Britain, which wanted to perpetuate its influence on the island for strategic reasons, used ‘divide and rule’⁵ tactics (Breuly 2017, 394). A dwindling Pax Britannica identified the control of Cyprus with particular geostrategic interests in the Middle East—and particular geopolitical advantages in the Cold War context—and therefore considered the TCs’ objection to enosis as a useful tool for the perpetuation of the control of the island.

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According to the mainstream view in the GC community, Turkey undermined the hostility of the Turkish Cypriot minority towards GCs. Clashes erupted between the two communities and the colonial power.⁶ Britons tried to combine partition with local administration by making various constitutional proposals (Panayiotides 2014, 5–11). Those plans, in their majority, were rejected by both communities (Panayiotides 2014).

In December 1963, three years after Cyprus gained its independence, the constitutional order collapsed when President Makarios proposed to the Turkish Cypriot leadership several amendments on the constitution to become more functional. Deadly clashes erupted between the GC and the TC. Great Britain and the USA, the emerging superpower of the international system, intervened by proposing various plans that according to the GCs favoured the TCs, who demanded partition and broad self-administration (Panayiotides 2015).⁷ These plans

5 Great Britain, as the colonial power, managed anticolonial nationalism in many of its colonies alike. For example, in India, by 1914, the British had responded to Indian nationalists with the formation of communal electorates and local councils which classes Hindu and Muslim as distinct political identities. See John Breuly, ‘Nationalism, National Self-Determination, and International Relations’, in *The Globalization of World Politics: An Introduction to International Relations*, edited by J. Baylis, S. Smith and P. Owens (2017), 394.

6 For the importance of ethnic and communal conflicts and their regional and international implications, see Michael Brown (1996).

7 For a comprehensive analysis for the various plans that the United States proposed in 1960s, see Nicos Panayiotides’ (2015) ‘The Cyprus Problem in International Politics: The Great Powers and the Multiple Faces of the Anglo-American Hegemonism.’



were not received with much enthusiasm by the TC community either, whilst the negotiating procedure manifested the divergent goals of the two sides.

The inter-communal talks, based on a unitary state, which started in 1968, in an effort to solve the constitutional issues, between the two sides were abruptly terminated in July 1974 when a Greek coup against President Makarios provoked the Turkish invasion. Turkish leadership regarded junta's coup against Makarios as an effort to alter the constitutional order and pursue the union of the island with Greece.

The utmost malaise for the fate of the beautiful island of Cyprus was sealed because of a particular article of the Treaty of Guarantee (1960) amongst Turkey, Greece and the United Kingdom. In particular, article IV of the aforementioned treaty provided that '[i]n the event of a breach of the provisions of the present Treaty, Greece, Turkey and the United Kingdom undertake to consult together with respect to the representations or measures necessary to ensure observance of those provisions. In so far as common or concerted action may not prove possible, each the three guaranteeing Powers reserves the right to take action with the sole aim of re-establishing the state of affairs created by the present Treaty'.⁸

Turkey exploited this particular provision and created a protracted international problem violating international law. Article 2(4) of the United Nations prohibits member states from using force in their international relations.⁹

Forty-five years after the Turkish invasion, there are thousands of Turkish soldiers on the island obstructing the prospects for peace and reunification of Cyprus.

8 See Treaty of Guarantee, signed in Nicosia on 16 August 1960, https://www.mfa.gr/images/docs/kypriako/treaty_of_guarantee.pdf.

9 'The UN Charter and the Prohibition on the Use of Force', Public International Law, <https://ruwanthikagunaratne.wordpress.com/2011/04/11/lesson-5-1-prohibition-on-the-use-of-force-and-the-un-charter/>.



A very important issue is that in 1977, the Greek Cypriot leadership accepted the federal solution (Syrigos 2005, 93)¹⁰ as a basis for the settlement of the problem, thus rejecting its previous demand that the solution be based on a unitary state.

The talks that ensued in 1980s and 1990s and recent talks at Crans-Montana (Switzerland, 28 June–7 July 2017), based on the federal model, did not prosper because of the conflicting strategic goals of both sides. According to the GCs, the Turkish side was inching towards a confederal solution, instigating fears that this could lead to some sort of constitutional partition. Moreover, it insisted to retain what it considered as guarantee rights over the island.

IS THE CYPRUS PROBLEM UNSOLVABLE?

However, why is the Cyprus problem so difficult to be solved? We consider the main parameter as the imbalance of power between Turkey and Greece. Turkey is a regional power and member of NATO with a very important geopolitical position and a formidable army. Traditionally, especially during the Cold War, as well as afterwards, Turkey was one of the main countries that the United States based its regional strategy in the Middle East (Panayiotides 2014, 33–46).¹¹

10 The agreement did not clarify if the new state would be biregional or multiregional. However, in 1980, the secretary general said in his statement that the new state would be bizonal, a term adopted by the Security Council in resolutions 649/1990 and 716/1991. See Aggelos Syrigos's (2005, 93) work titled *Annan Plan: The Legacies of the Past and the Prospects of the Future*.

11 During the Cold War, Turkey was the main bastion for the containment of the Soviet influence in the Middle East. Indicatively, Turkey was one of the founding members of the Bagdad Pact (1955). When the Hashemite regime of Iraq was overthrown in July 1958, the headquarters of the pact were moved to Ankara. In 1961, NATO placed intermediate-range Jupiter missiles in Turkey to defend the West from the Soviet Union. Afterwards, Turkey was again placed in the epicentre of an American regional strategy in the Middle East, along with other countries, when the so-called Nixon Doctrine in November 1969 put primary reliance on security cooperation with regional states as a means of protecting US



The aforementioned reality renders extremely difficult to negotiate with Turkey on a fair basis. Additionally, many other issues involved in the discussion practically, ideologically and philosophically exist. Time is ruthless in creating geopolitical ‘fait accompli’ on the ground. For example, since 1974, Turkey is transferring settlers on the island violating the Fourth Geneva Convention (the Geneva Convention of 12 August 1949, Volume IV). As we know from the Israeli-Palestinian problem, the settling policy of Israel in occupied territories in the West Bank (Quiqley 2005, 174–182) is one of the main obstacles for peace. Moreover, there are dozens of UN resolutions (e.g., 242, 267, 271; see below) calling for the end Israel’s occupation of Palestinian territories and rescind measures of annexation. However, the status quo remains unchangeable.

As regards the Cyprus problem, many of the settlers that Turkey transferred to Cyprus have been married with the TCs and have children. A lot of them live in Greek Cypriots’ houses. Although this constitutes a violation of international law, it is very difficult 45 years after the division of Cyprus to expel all settlers from the island. Consequently, one should be in a position to answer the question if an expansive military force used by revisionist powers can create law (Wight 1998).

SOLUTION, BUT WHAT SOLUTION? FEDERATION VS. CONFEDERATION AND THE UNITARY STATE

The solution that the two parts discuss is based on the High Level Agreements of 12 February 1977 between President Makarios and the Turkish Cypriot leader Rauf Dectas. The GC

interests in the region. Moreover, after the Iranian revolution of 1979, the Carter administration coined the ‘Wohlstetter doctrine for Turkey’. After the Cold War, the ‘special relationship’ between the two countries continued. In particular, during the second Gulf War of 1991, Turkish President Özal acted in a way that favoured American interests during the crisis. The strategic utility of Turkey for the West was manifested again during the Bosnian Crisis (1992–1995), when the United States needed Ankara’s support to cement the Croatian-Muslim alliance in 1994. See Nicos Panayiotides (2014, 33–46).



leader Archbishop Makarios accepted the federal model as a basis for the solution of the problem. The devastating effects of the Turkish invasion and the subsequent occupation of Cyprus in 1974 forced President Makarios to do something he adamantly refused the previous years. From that point, the ‘geopolitical trap of the weakest state’ was put into force and started to yield its negative results.

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President Makarios made a maximum compromise, expecting the other side to display goodwill. However, contrary to Makarios’s expectations, Rauf Dectas made in 1983 a unilateral declaration of independence declaring ‘the Turkish Republic of Northern Cyprus’.

His declaration, ratified by the Turkish Cypriot ‘parliament’, was condemned by the international community. The UN issued two resolutions (541 and 550) proclaiming that the Turkish Cypriot UDI was legally invalid and requesting that no other sovereign state should recognise the declaration and asked for its withdrawal.

President Makarios, a pragmatist politician, foresaw that Turkey and the TCs were unprepared to make a serious compromise to solve the problem. Even though he was ready to continue the talks, he adopted the strategy of ‘enduring struggle’ for the solution.¹²

According to this logic, the GCs would not accept the fait accompli that the Turkish army imposed on Cyprus and would not recognise an independent Turkish Cypriot state. Expounding his logic, he said that the Greek Cypriots would use any means and all international fora to reverse the status quo. However, international law is impracticable when the parties involved are unequal (Handel 1990) regarding their aggregate might.¹³

At this point, we must stress that until now, there are different interpretations between the TCs and the GCs regarding the content of this solution. Whilst the Greek side seems ready

12 President Makarios made the declaration in his last public speech (20 July 1977), 14 days before his death (3 August 1977).

13 For the most comprehensive analysis on the issue, see Michael Handel’s (1990) *Weak States in the International System*.



to accept a federal state with a strong central government, the Turkish side embraces a new state with a loose central government with confederal constitutional characteristics. They seek to maintain vital responsibilities for the constituent states. For example, they demand that the TC constituent state be in a position to sign agreements with other states.¹⁴

Turkey's intentions are clear and straightforward. According to the former foreign minister of Greece, Mr Kotzias, at Crans-Montana (see above), his counterpart, Mr Cavusoglu, proposed a confederal model (confederation) for Cyprus. As he said, 'If this goes well we can proceed to a federation, if not to two states.' Then Mr Kotzias replied, 'When one moves from a unitary state to a confederation the end is always the same: The collapse of the state.'¹⁵

Moreover, the largest political parties in the Republic of Cyprus, the left-wing AKEL and the right-wing DISY, accept the federal solution for the Cyprus problem, whilst the centrist parties either reject it or face it with much scepticism. According to their arguments, a bizonal federation will constitute acceptance of a permanent separation of the two main communities of the island along ethnicist criteria, that is, racist solution and contrary to international law.¹⁶

14 For the main differences between federal and confederal states, see Preston King's (2007) *Federalism and Federation*. See also Burgess Michael and Pinder John's (2007) *Multinational Federations*.

15 Kotzias (2018) regarding Crans-Montana, NATO and Confederation, *Philenews*, available at <http://www.philenews.com/eidiseis/politiki/article/629834/kotzias-ston-f-ga-kran-montana-nato-synomospondia>.

16 As they argue, Turkey and the Turkish-Cypriots demand that in any settlement of the conflict, they should have the majority of the land and the people in the Turkish constituent state/region. Moreover, the Turkish Cypriots demand political majorities in their region because in any different case, the Greek Cypriots will have a say to their politics, and consequently, they may be in a position to alter their political will. For a comprehensive analysis on all the parameters of this issue, see Stephanos Konstantinidis's (2017) *Cyprus: The Beginnings of a Racial Bizonal-Bicommunal Federation*, *Defend Democracy Press*, available at <http://www.defenddemocracy.press/cyprus-the-beginnings-of-a-racial-bizonal-bicommunal-federation/>.



Having noted the aforementioned observation, one may detect that the leadership level of analysis plays an important role in any discussion for the solution of the problem. Elaborating more, we may query, would the Greek Cypriot parties and the GC community accept in a referendum a solution that will not provide for Turkish guarantee rights over Cyprus but will offer the TCs the rotating presidency of the state as they demand? Putting it more clearly, it is uncertain that the GCs will accept in any future agreement the provision for a rotating presidency for the TCs even if Ankara abandoned its demand to retain guarantee rights over the island.

Moreover, would the GCs accept a solution that will safeguard the free movement and free settlement of people across the territory of the Republic of Cyprus whilst at the same time deprive those GC citizens residing in the Turkish constituent state their voting rights? These questions are very important as they may fall in the so-called redlines of the GCs.

In any case, the GC parties must consider very seriously what they can achieve on the negotiating table, the means at their disposal and the political strategies that will follow pursuing their political aim. We believe the absence of common line on the issue represents an important flaw on the grand strategy of the GCs.

Moreover, according to a poll, 51% of the Greek Cypriots are not well aware about the content of the solution (bizonal-bicommunal federation) that is discussed for over 40 years.¹⁷ It is useful to underline that as regards the Cyprus problem, there are no remarkable GC or TC 'peace and conflict resolution organizations' (P/CROs) or mixed organisations seeking to alter the status quo. On the contrary, there were dozens of P/CROs in Northern Ireland and Israel-Palestine (Gidron-Katz 2002, 3)

17 Poll for the CyBC (state channel), performed by Saimar and Public (2017), <http://riknews.com.cy/index.php/news/politiki/item/59197-apopsesto-rik-i-proti-megali-dimoskopisi-gia-tis-proedrikes-ekloges-2018>.



that contributed to conciliation and to the conclusion of historic agreements.¹⁸

STRATEGIES FOR THE SOLUTION OF THE PROBLEM

Generally speaking, there are many political strategies to solve a political problem. All of them are components of a grand strategy (Luttwak 1987). The ideal one is *diplomacy* and the various methods of negotiations for peaceful conflict resolution. Thus, through negotiations, the two parties seek to overcome the obstacles and reach a mutually accepted solution (Chila 2005, 119–205).¹⁹ However, for the two sides to engage in negotiations, they must acknowledge that the status quo is unsustainable for both of them.

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Consequently, they must be in a position to see the imminent benefits from a solution compared with the unacceptable costs that the continuation of the status quo brings about. Does the aforementioned reality apply to the Cyprus problem? We will examine below the motives of the parties involved.

Another strategy is *war*. Since war is the ‘continuation of politics with other means’, as Clausewitz (1984) has put it, we should not omit to mention this eventuality. However, in our case study, war is not realistic as a means for the settlement of the conflict. Specifically, even if Greece and the Republic of Cyprus could prevail over Turkey on the tactical-operational level in a war, that does not presupposes that they could impose their will on the TCs as regards the content of an ideal solution.

However, Greece and the Republic of Cyprus—and every state that suffers the syndrome of the geopolitically trapped state—must continue to develop reliable armed forces (*internal*

18 Benjamin Gidron, Stanley N. Katz and Yeheskel Hasenfled, *Mobilizing for Peace: Conflict Resolution in Northern Ireland, Israel/Palestine and South Africa* (2002), 3.

19 The two parties in a particular conflict can engage in negotiations alone or with the intervention of a strong power (powerful mediation) or an international institution, for example, the EU or the UN (third-party intervention).



balancing) to create a credible strategy of deterrence over the island. At the same time, *external balancing*, which deals with the development of new alliances, will help the weakest side to counter/balance (Mearsheimer 2001) the Turkish threat. These two strategies will enhance the negotiating position of Cyprus against the occupying power.

Accordingly, the Greek side has chosen negotiations as a means to solve the problem. President Makarios engaged in talks with the Turkish Cypriot leader Rauf Denktaş from 1968 to solve the constitutional fold of the problem (Dekleris 2003). However, so far, negotiations do not seem to yield any results, and the whole procedure remains at a standstill.

Turkey is viewing the Cyprus problem from a geopolitical and geostrategic perspective. Indicative of the aforementioned is former prime minister Ahmet Davutoglu's, who was Erdogan's main advisor, views (Davutoglu 2012, 540) on the issue: 'Even if neither one Muslim Turk existed in Cyprus, Turkey owed to maintain a Cypriot question. No one country can remain incurious for such an island, that it is found in the heart of her vital space.'²⁰

Turning our attention to the negotiations, although there was some progress in the negotiations that happened at Mont Pelerin in Switzerland (7 January 2017) and at Crans-Montana, Switzerland (28 June 2017), Turkey was unprepared to make a compromise on the issue of security and guarantees, thus instigating fears amongst the GCs that Ankara wants to safeguard a firm geostrategic role on to intervene in the internal affairs of the republic.

GCs are suspicious of Turkey's intentions, and they do not exclude that in the future, it may perform another military

20 Ahmet Davutoglu, in his book *Strategic Depth*, argued, 'Cyprus has a central position in the world continent as it is found in equal distance from Europe, Asia and Africa. It has the place of constant base and aircraft carrier that will touch the pulse of marine ways of Anten and Chormouz along with the basins of Gulf and Caspian Sea that is the most important ways of connection Eurasia-Africa. A country that ignores Cyprus cannot be active in the world and regional policies.'



intervention against the island. The chapter of security is of vital importance for GCs because it gives rise to their insecurity. Turkey intervened in Cyprus in July 1974, invoking rights arising from the Treaty of Guarantee of 1960 (see above). A wrong argumentation according to the majority of legal experts (Thomas 1979, 187–199)²¹ because even if we accept that Turkey had the right to intervene, it could do this only to restore the status quo. However, Turkey established a new status quo with the continuous illegal occupation of Cyprus that violates not only the human rights of the GCs but of the TCs as well.

Along with the negotiations, the GCs, in collaboration with Greece, sought and seek to exploit international and regional institutions to borrow security and force Turkey to make concessions on the issue.

Since Turkey is a candidate country to join the European Union (EU), a regional institution that Greece is an old member of and the Republic of Cyprus joined in 2004, the Greek side believed that it could find enough leverage on Turkey to change its behaviour and contribute to the solution. This was based on the strategy of *appeasement*, which was fulfilled in 1999 when Greece consented that Turkey should be given the chance to be a candidate country for accession in the European Union. The supporters of this view maintained that if Turkey joined the EU, it would become more peaceful and logical as regards the Greco-Turkish differences and therefore will make concessions on the Cyprus problem. Twenty years after Helsinki, this strategy did not yield any results, and the Cyprus problem remains unsolvable. At this point, it would be an omission not to mention the various resolutions of the United Nations that urge Turkey to withdraw its army or make concessions on various other dimensions of the problem.

More specifically, in the 353 resolution (Ioannou 1993, 15–17) of 20 July 1974, the day Turkey invaded Cyprus, the Security Council called upon Turkey to terminate its intervention in Cyprus and respect sovereignty, territorial integrity and

21 A. J. Thomas, *International Law and the Turkish Invasion of Cyprus* (1979), 187–199.



independence of Cyprus. At the same time, Turkey was urged to withdraw its army from the island. Moreover, resolution 3212 of 1 November 1974 urges for the rapid withdrawal of foreign troops from Cyprus and all the involved parties to take all the appropriate measures for the return of the refugees to their houses.

In addition to this, in the High Level Agreements of 1979 between President Kyprianou and the Turkish leader Rauf Denctas, point 5 stresses that it should be given priority for the return of refugees in Varosha (the abandoned fenced southern quarter of the occupied city of Famagusta).

However, as we have mentioned above, international law is a dependent variable in international politics, especially in cases where unequal parties are involved. Nonetheless, despite its limits, every weak state should invoke it to enhance its position against the most powerful states of the international system, especially when it is occupied by regional powers. As we have already noted, at Crans-Montana, Turkey did not display the appropriate political will to yield on the issues of security-guarantees and insisted that it should retain guarantee rights over the island. Moreover, Ankara demanded that the Greek Cypriots accept permanent Turkish troops on the islands. As the Turkish foreign minister Mevlut Cavusoglu had put it, 'The Greek side and Greece expect that all guarantees will be lifted and no Turkish soldiers will be left on the island. This a dream. They should awake from this dream.'²²

The discovery of large quantities of natural gas in the exclusive economic zone (EEZ) of Cyprus and expected new discoveries of hydrocarbons have created much optimism that natural gas can become the catalyst for the solution of the Cyprus problem. According to the theory of international relations, natural gas findings can help the interested countries create a regional regime (Little 2014, 289–300) of collaboration and harvest the economic benefits from it. However, until now, we did not notice

22 Greece, Greek Cyprus Dreaming: Turkish FM', *Hürriyet Daily News*, <http://www.hurriyetdailynews.com/greece-greek-cyprus-dreaming-turkish-fm---114937>.



the Cypriot natural gas discoveries to lead the actors, especially as far as Turkey is concerned, to collaboration.

Turkey, which does not recognise Cyprus's maritime agreements with its neighbour countries (Egypt, Israel and Lebanon), has various times threatened to use force if the Republic of Cyprus does not terminate the research and drillings. Last February, Turkish warships blocked the gas exploration activities of ENI (specifically, the drillship *Saipem 1200*) in block 3 in the EEZ of Cyprus, claiming that the drilling activities infringe the rights of the TCs.²³

Even worse, now that these lines are written, Ankara violates the EEZ of the Republic of Cyprus by advising the Turkish drillship *Fatih* to perform drilling operations in an area west of Paphos that will last until September 3.

By applying the strategy of coercive diplomacy, Turkey demands that any discovered quantities of natural gas must be equally shared between the two communities. On the other hand, the internationally recognised state, the Republic of Cyprus, proposes that any discovered quantities of natural gas will be given analogically to the TCs after the solution of the Cyprus problem. To support this end, the parliament of the Republic of Cyprus passed a bill to create a National Fund for the natural resources to manifest its political will that the natural gas will not be unilaterally exploited by the government of the Republic of Cyprus at the expense of the TCs. Therefore, we may revert again to the same question. Is the Cyprus problem unsolvable? Are there any other strategies that may give thrust to the talks and become a breakthrough?

Christos Yiangou (2014), a political scientist and former diplomat, proposes an *evolutionary approach* on the issue. As he rightly observes, 'The maximum concessions the one side is ready to make on the negotiating table on the current chapters of negotiation do not meet the minimum requirements the other side is ready to accept and vice versa.' As he argues, the

23 'ENI Drillship at Standstill, North Says Will Not Accept Activities in Block 3', Cyprus Mail, <http://cyprus-mail.com/2018/02/10/kasoulides-turkish-interference-expected-increase-cyprus-eez/>.

two sides are trapped because of the lack of fear and lack of confidence, and therefore, they are not ready for a comprehensive solution.

He maintains the two sides must make an interim agreement with a 5–10-year horizon or road map that should be approved at an international conference where all parties will participate (UN; the three guarantor powers—Greece, Turkey and the UK; and the two main communities of Cyprus). During the aforementioned timetable, the two sides must implement a series of confidence-building measures (CBMs) such as the return of Famagusta (Varosha) to the Greek Cypriots in return for a Cyprus Republic’s legitimate approval of the opening of the port of the said city and the Tymbou/Ercan Turkish airport via a commonly accepted implementation of the EU direct trade regulation. Moreover, Yianguou supports the notion that Ankara must implement the ‘Ankara Protocol’, whilst Nicosia will withdraw its veto and defreeze of the six negotiating chapters that have been blocked since 2009. Mr Yianguou’s proposal includes also the gradual reduction of all troops on the island and the creation by the UN of a bi-communal committee, under the auspices of the UN, which should discuss the future of hydrocarbon reserves recently discovered on the island, in return of Turkey’s refrain from actions that would violate the Cyprus Republic’s exclusive economic zone (EEZ).²⁴

The evolutionary approach has some drawbacks. For example, it is not yet clear if the GC parties accept the evolutionary approach instead of the overall settlement of the problem. There are some fears that this approach will lead to the consolidation of the status quo, a development that favours Turkey. Another question raised is if Turkey and the TCs are ready for a step-by-step solution. Apart from the evolutionary approach that has not been tested yet, we have provided the main approaches that have been tested since now but proved unsuccessful. The main question is, what is needed to be done to solve an intractable, long-lasting international problem such as the Cyprus problem?

24 Ibid.



IMPEDIMENTS TO CONFLICT RESOLUTION

Our focus should go deeper to analyse why the Cyprus problem is so difficult to be solved. Are the causes the deep mistrust between the two sides? Are they systemic/geopolitical or ethno-nationalist differences? According to the theory of conflict resolution, for an intractable protracted international problem to be solved, it has to be transformed from a 'zero-sum gain' to a 'mutual positive gain'. Can this be done? If no, why is this so difficult? Elaborating more on this point of view, in cases where unequal parties are involved and the one side occupies land for a long period, is very difficult for the strong party to make the necessary concessions to meet the minimum requirements of the other side. This is because of expansive agendas (settlement policies, hegemonic attitudes, etc.) (Lustick 1993, 7–57, 352–453).²⁵

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On the other hand, viewing the problem from the perspective of the weakest side, an ordinary citizen may pose a question: They took our land, they took our houses and they want us to make further concessions? What constitutes common ground amongst scholars of international relations is that great powers such as the United States and Russia are the shapers of international/global politics since they possess the greater capabilities in the anarchic international system. In this regard, they have an interest in keeping a stable international system. However, they have more incentives to intervene in a problem if they have something to gain (e.g., increase of their relative power/influence) or if their regional interests are threatened.

For example, the United States and the former Soviet Union in 1960s had intervened dozens of times in the Cyprus problem. However, they did so because their regional interests were threatened in the wider Cold War context. The escalation of a local crisis could trigger armed confrontation between the superpowers.

25 The Palestinian problem constitutes a similar paradigm to the Cyprus problem regarding the wider structure of power that renders its solution so difficult.



In addition to this, the United Kingdom and the United States identified the control of Cyprus and, in particular, Akrotiri and Dhekelia sovereign bases with the ability to monitor Russian nuclear activities during the Cold War (O'Malley and Craig 2002, 80–85). Russia, on its part, wanted to undermine this ability to its Western adversaries. We must underline, though, that in 1960s, the conflict did not take its current form with thousands of Turkish soldiers in Cyprus and the adverse consequences of the occupation of the island. Furthermore, as we have already underlined, the variable of the 'geopolitical trap of the weakest state' prevents or, putting it differently, does not create any incentives for the great powers to press Turkey to make any concessions on the issue.

At the same time, we should not underestimate some other domestic variables that prevent the settlement of the conflict. As Professor Mearsheimer (1994) has put it, 'Concerns about cheating hinder cooperation. States are reluctant to enter into cooperative agreements for fear that the other side will gain a relative advantage.' Whilst Mearsheimer is referring to interstate relations, the same logic applies to agreements between ethnic groups.

In particular, the GCs fear that any perpetuation of the current guarantee system may give Ankara the pretext to intervene again in Cyprus. The TCs, on the other hand, claim that the agreed political equality with the GCs means that they should have multilevel veto on all the levels of governance out of fear not to become a 'minority'²⁶ oppressed by the GC majority, which will control the state's governance.

Finally, in Cyprus, there are no remarkable nongovernmental/civil society organisations which advocate for peace as was the case for Northern Ireland or the Israeli-Palestinian problem.

26 The Turkish Cypriots have been recognised as a political community with the London-Zurich agreements of 1959 and the new constitutional order that had been established in 1960. However, they still have some stereotypes on the issue. In particular, TC leader Mustafa Akkinci declared in December 2018 that the TC will never accept to be a minority in a state governed by the GC (Riknews 2018).



In these two cases, historic agreements (Katz-Kidron 2002, 3, 39–69, 94–130, 175–202) such as the first ceasefire between the Protestant and Catholic paramilitaries (1993) or the Oslo Accords (1993) between Israel and Palestinians were preceded by the intense activities of ‘peace and conflict resolution organizations’ (P/CROs).

Perhaps the different structure of the occupation and separation in Cyprus which resulted in thousands of refugees and loss of individual property traumatised the GC community. In any case, the ‘occupation factor’ is an important element that prevents the settlement of the conflict. To clarify our argument, we will turn our attention to the example of Lebanon. Lebanon, another weak and small country with intense sectarian conflict, a civil war in 1958, a protracted civil war in 1975–1990 and intense sectarian and communal strife (Khalaf 2002, 23–38; 204–272), managed to survive and has a smooth political activity despite some setbacks.

We must bear in mind that Lebanon was occupied in the past by two regional powers, Israel (1982–2000) and Syria (1976–2005). However, despite the traumatic events of the past, the constituent communities of the confessional political system of Lebanon are collaborating at the parliament and the level of government.

In this regard, why are the TCs and the GCs unable to solve their problem? The answer lies in the fact that the Syrian and Israeli occupation of Lebanon had not so far reached consequences as the ongoing occupation of Cyprus. Moreover, Turkey’s hegemonic ambitions over the island prevent any genuine effort that will lead to a viable, comprehensive and lasting solution.

In conclusion and turning our attention to the individual and social level, it would be an omission not to mention that from 2004 onwards, free movement in the Republic of Cyprus from the occupied north part of the island to the south and vice versa occurs smoothly without any tension or friction between the two main communities of the island.



As we have mentioned above, great powers intervene in international problems under two conditions: First of all, according to the realist school of thought in international relations, a great power will intervene/mediate in the problem only if it will have a benefit (e.g., to maximise its relative power or to broaden its influence) or if its regional or global interests are threatened. In other words, mediation, especially powerful mediation, is an instrument of foreign policy that serves the interests of strong states (Chila 2005, 123).

This was manifested many times during the Cold War. For example, Henry Kissinger's mediation (shuttle diplomacy) after the October War of 1973 between Egypt and Israel ('Shuttle Diplomacy and the Arab-Israeli Dispute, 1974–1975', Office of the Historian) led to the de-escalation of the conflict and paved the way for a peace agreement between Cairo and Tel Aviv in 1978–1979. However, which benefited in terms of national interest for the United States? The answer is straightforward. Kissinger managed to increase the American influence in the Middle East, whilst at the same time, the Russian position in the region was undermined, and the Russian influence in the strongest Arab state was eliminated.

Turning our attention to the Cyprus problem, in June 1964, American president Johnson sent a letter to his Turkish counterpart, Inonu, warning him that if Turkey invaded Cyprus, Russia would not cede. The American president warned Inonu that the United States would not protect Turkey in any case. The second condition, as we have noted above, is if they have something to gain from the intervention.

Both conditions are absent in the Cyprus conflict. More specifically, the Cyprus problem is a frozen conflict that it does not endanger regional stability, let alone global stability. No armed clashes exist as there were in 1963–1964 or as it was the case in Northern Island during the 1960s and onwards with the 'troubles' (Cochrane 2002, 151–171), a situation that placed the problem in the epicentre of international concern leading to the Good Friday Agreement (Belfast Agreement) of 1998.



The United States does not have any motive to intervene on behalf of the GCs because this may put into risk its special relationship with Turkey. American-Turkish relations have their ups and downs, especially in the era of Tagip Erdogan; however, this does not mean that the American government will risk losing the support of a regional power in a geopolitical-sensitive region. Turning our attention to Russia, we must admit that Moscow offered too much support to the GCs during the Cold War, especially in cases where important geopolitical actors sought to impose plans that were considered divisive by the GC leadership.

In 2004, Moscow put a veto at the Security Council of United Nations against the effort of Britain and the United States to support the Annan Plan. However, is this enough for the GCs to accomplish a compromised solution, let alone an ideal one? The answer is no. No signs from the historical record regarding the Cyprus problem that could lead us to such a conclusion exist. Therefore, if we try to summarise some elements for a new theory of conflict management/resolution, we may note the following three practical ways for an international problem to be solved:

1. The strong occupying power makes concessions that meet the requirements of the weakest side.
2. The weakest side concedes and accepts the demands of the occupying power by making further concessions.
3. A great power (with the status of a superpower, e.g., United States or Russia) or an international institution (UN or EU) exerts notable influence/pressure on the strong party to manifest conciliatory approach, make remarkable concessions and solve the problem.

As the historical record has shown, an occupying power does not make concessions easily, especially if the status quo furthers its interests. We have already made some mentions of the Palestine-Israeli conflict. At the same time, it is unrealistic for the international community to expect that the Greek side or, putting it differently, that the GCs will accept to make further concessions to Turkey or to the TCs. Even if the ruling political



party was ready to do so, popular objection may stop the intention of the ruling party. This was the case in 2004 with the United Nations proposal (Annan Plan). We must remember that any agreed plan between the leaders of the two communities must be ratified in two concurrent referenda that will happen in the Turkish and Greek community.

In 2004, the Annan Plan was approved by the TCs but rejected by the GCs. As mentioned by Christos Yiangou, ‘The maximum concessions the one side is ready to make on the negotiating table on the current chapters of negotiation do not meet the minimum requirements the other side is ready to accept and vice versa.’ Moreover, the GCs are undergoing extensive violations of their human rights because of the Turkish prolonged occupation, and therefore, Turkey is the side that must manifest its goodwill on the negotiating table.

What about the third choice? At first glance, the third choice seems to be the most appropriate, regardless of the difficulties. The strategy of forming alliances is a central feature in international politics. However, as mentioned earlier, great powers do not press regional powers to make concessions, especially when this endangers the wider interests of the hegemonic power.

Turkey is an important geopolitical pillar in Eurasia and in the Middle East. The same geopolitical equation applies in the case of the Arab-Israeli conflict. The Jewish state has developed over time a special relationship with the United States. Successive American governments have offered political, diplomatic and economic support to Israel. President Trump’s unilateral recognition in May of the occupied Jerusalem as the capital of the Jewish state in violation of various UN resolutions (476, 478, 242, 250, 267, 271, etc.)²⁷ shows how difficult it is for weak states/entities to launch a fair struggle that will lead to the solution of their conflict.

In other words, Cyprus is trapped in the patron-client relations of the United States with Turkey and to a lesser extent

27 Loureen Sayjeb, ‘President Trump’s Recognition of Jerusalem: A Legal Analysis’ (2017), <http://ohrh.law.ox.ac.uk/president-trumps-recognition-of-jerusalem-a-legal-analysis/>.



to the wider economic interdependence between Russia and Turkey. We will define this political reality as the ‘geopolitical trap of the weakest state’. The phrase denotes the position of the weakest side in a conflict, when it has to confront not only its strongest adversary but also the ability of the regional power to retain interdependent relations with the superpowers.

What about an international institution such as the UN or a regional organisation such as the EU? According to the realist school of thought, international organisations have limited influence on the behaviour of the states since they reflect the interests of the stronger parties of the system. The aforementioned political reality is supported by the historical record, especially in cases where the countries involved are strong regional powers. In this regard, which grand strategy the Republic of Cyprus must follow to escape from its peculiar geopolitical faith? Invoking realism again, states are sensitive to the imminent cost that other states are ready to inflict to their interests. Is the Republic of Cyprus able to provoke cost to Turkey alone? Is the Republic of Cyprus able to create formal alliances with the United States²⁸ and/or Russia and **buck bass** to them (Mearsheimer, 2001, 157–162) to compel Turkey to make the appropriate concessions? As we have mentioned above, the ‘geopolitical trap of the weakest side’ limits this choice.

At this point, it must be noted that the Republic of Cyprus has frozen six negotiating chapters of Turkey’s negotiation with EU in 2009, whilst the European Council has decided in December 2006 that EU’s negotiations with Turkey as regards eight negotiating chapters will not start until Turkey implements

28 This choice is limited by objective facts since Turkey, a regional power, is member of NATO, but the Republic of Cyprus is not. However, as we know from the international relations theory, even if Cyprus was a member of NATO, Ankara would have a greater say in coalitions’ goals and strategies since it would retain disproportionate influence in the affairs of the North Atlantic Treaty Organization. Even in this period, the American-Turkish relations are not so good, and Ankara is tilting towards Russia (see Ankara’s S-400 air defense system purchase from Russia). We do not believe that the USA will press Turkey to make concessions on the negotiating table.



the Ankara Protocol and recognise the Republic of Cyprus.²⁹ Regarding the latter, the European Union issued a declaration on 21 September 2005³⁰ following Ankara's declaration on July 2005 that it does not recognise the Republic of Cyprus. In this regard, the Republic of Cyprus was and is able to exert influence on Turkey through the European institutions. Therefore, as it is manifested, Cyprus can provoke some cost on Turkey. However, is this cost enough to make Turkey concede regarding the settlement of the conflict? As we have already illustrated in this paper, Turkey did not abandon its geostrategic ambitions on the island and continues to demand guarantee rights in an epoch that no other state has similar rights on other states.

In conclusion, there are three levels of 'resistance' that must be overcome for the Cyprus problem to be solved:

1. The first is the domestic impediment. That means that both communities, the GCs and the TCs, must be pro-solutional because they truly believe that a solution will overturn a status quo that does not support their wider interests and their vision for a better future for their children.
2. The second impediment is that in both communities, leaders must be ready to make a genuine compromise compatible with international and European law.
3. The last and most important impediment is the regional impediment (the geopolitical trap of the weakest state) in full connection with the geopolitical ambitions of Turkey for the island. Is Turkey ready to abandon them?

As one easily may observe, only this multilayer approach can yield results that can lead to the solution of the Cyprus problem. As we have shown in this paper, these preconditions are not present for the moment, and therefore, the prospects for a solution of the Cyprus problem are grim. What is left then?

29 'Parliament of Cyprus, Application for Entry in the European Communities', <http://www.parliament.cy/easyconsole.cfm/id/1113>.

30 'Declaration by the European Community and Its Member States' (2005), http://www.europarl.europa.eu/meetdocs/2004_2009/documents/fd/d-tr20051123_13/d-tr20051123_13en.pdf.



As Thucydides would put it (Dunne-Schmitt 2014, 105), ‘The standard of justice depends on the equality of power to compel and that in fact the strong do what they have to and the weak accept what they have to accept.’³¹ Thus, should Greek Cypriots accept their faith? Will the Cyprus problem remain an unsolvable problem?

Considering the geopolitical difficulties as shown in this article, we do not want to be pessimists. In this regard, the grand strategy of the Republic of Cyprus should continue to promote regional cooperation through alliances to enhance its bargaining power on the negotiating table. In other words, it must seek to minimise as much as possible the gap in the relative balance of power compared with its adversary because as we have argued in this paper, there is a large imbalance of power between Turkey (TCs) and Greece (GCs). The formation of trilateral alliances with states that face common threats and have common interests with Cyprus (Israel, Egypt, Greece) because they have bordering natural gas resources is supportive to this goal.

At the same time, it must work tirelessly to convince great powers, that is, to their interest, to compel Turkey to make concessions on the negotiating table. The solution of the Cyprus problem will send ambitious messages to the international community. This is very difficult as it is manifested in this paper, but unfortunately, there is no other choice. Otherwise, the problem will remain unsolvable, and no one can guarantee that stability will be safeguarded on the beautiful island of Cyprus.

On the other hand, Turkey must comprehend that a more moderate approach will enhance its prospects for joining EU and ripe multiple benefits. Such a development will help the GCs and the TCs live peacefully together under a common roof as it was the case for many centuries in the past. A multicultural and stable Cyprus can be a very good paradigm of peaceful coexistence between Christians and Muslims in a region torn apart by ethno-religious conflicts and instability.

31 ‘Realism’, in *The Globalization of World Politics: An Introduction to International Relations* (Dunne and Schmidt, 2014), 3.



CONCLUSION

The analysis in this article manifests the difficulties that small, weak and occupied states face when they deal with an adverse regional distribution of power that prevents the settlement of their conflicts. More specifically, it expounds the geopolitical obstacles put by stronger states/regional powers (negative balance of power) in their effort to liberate themselves from occupation, restore constitutional order and gain basic human rights.

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However, we believe the innovative element in the analysis is that it went a step further introducing a new phrase, the 'geopolitical trap of the weakest state' or the 'syndrome of the geopolitically trapped state'. The phrase refers to any weak state/entity that not only has to confront a stronger adversary, but also, it must consider that the regional power retains formidable might derived not only by its tangible assets of power (military power, strong economy, natural resources) but also by its ability to retain client relations with great powers because of its geopolitical position.

This results from its important geopolitical position and the negative consequences that its strategic behaviour may have on the regional and global balance of power as well, namely, on the interests of the great powers (e.g., USA and Russia). Turkey, as a traditional swing state, falls in the aforementioned paradigm. As mentioned earlier, the Israeli-Palestine conflict falls also in the same category/typology.

As far as the Cyprus problem is concerned, Turkey is not only an *important geopolitical axis* in the region of Eurasia but also an active *geostrategic actor* with an ambitious geopolitical agenda for the region. As Zbigniew Brzezinski (1998, 78–105) has argued, states that are geostrategic actors are in a position to project power beyond their borders. In the last 10 years, Turkey, under the leadership of Recep Tayyip Erdogan, elaborated an ambitious, vivid and expansive agenda for its region based on the theory of 'strategic depth', aspiring to be a pole of regional and global power.

To put it more concretely, in the last three years, Turkey intervened militarily in Syria (Operation Euphrates Shield, August



2016–March 2017) against the ‘Islamic state’ and in 2018 with Operation Olive Branch (January–March 2018), which resulted in the capture of the Kurdish canton of Afrin. Now that these lines are written, Turkey plans to intervene east of Euphrates River and crush the PYD/YPG, the main US ally in Syria on the ground against the jihadist threat of ISIS.

At the same time, despite the downing of a Russian jet in 2015, it mends its ties with Russia, creating some geopolitical concerns to the United States and to some other NATO members about its intentions. Moreover, what is noteworthy is that whilst US-Turkey relations move on a peculiar path, that of ‘neither friends, neither foes’, the USA does not seem ready to lose the support of Turkey in the sensitive region in the Middle East, let alone Turkey’s expulsion from NATO. This is more than clear with the US decision to provide Patriot missiles to Ankara.³²

One can easily understand from the aforementioned analysis how important is the strategic utility of Turkey for United States and Russia. In this regard, it is logical that the great powers (with a superpower status) will promote their interests, disregarding the ethical standards and the rights of small, weak states. This is a continuous pattern or a vicious circle in a volatile region characterised by intense strategic instability and fluidity of threats, changing interests and goals. This political constant automatically triggers the ‘geopolitical trap of the weakest state’. Will the Republic of Cyprus manage to escape from this geopolitical reality?

In conclusion, whilst our analysis encompasses domestic-level variables, it gives a prominent position to the geopolitical dimension as regards the Cyprus problem as well as other similar conflicts. We firmly believe that the pluralistic/liberal approach that does not differentiate on the one hand between hegemonic/expansive states and on the other hand between weak/small powers cannot address the root causes of the conflict and propose remedies to it (Heraclides, 2000). By proposing the division

32 Bobby Gosh, ‘Trump Gives Turkey a Double-Edged Gift’, Bloomberg (2018), <https://www.bloomberg.com/opinion/articles/2018-12-20/on-syria-and-patriots-trump-gives-turkey-double-edged-gift>.



of any differences or by seeking solutions based on the principle of ‘common denominator’, it has small explanatory power and, at the end of the day, is inapplicable, especially in cases where occupation and hegemonic ambitions are present as stables in a particular conflict.

From what has been cited in this analysis, one can easily discern that there is no any magic wand for the solution for any protracted international conflict. However, any effort to find remedies for the ‘syndrome of the geopolitically trapped state’ will be ineffective and fruitless if one cannot address the real causes that trap the weak state.

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ENTREPRENEURIAL INNOVATION—KEY TO A SUSTAINABLE AND COMPETITIVE EUROPEAN UNION

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The European Union has experienced weak economic growth during the last decades. This fact undermined its global economic positions, causing the eastward shift of the world's economic gravity centre. Moreover, in the last years, global economic sustainability issues gained prioritised attention since the climate change, and environmental degradation brought humanity near the edge of irreversible collapse. To address these challenges, the European Union's decision-making factors developed progressive strategies and policies to reignite economic growth in a sustainable and durable manner. These directives were aimed to bring to the EU member states additional growth and enhanced entrepreneurial activity. In this context, the present research evaluates the role of entrepreneurship in augmenting economic and sustainability of the European Union countries during the last years through applying both qualitative and quantitative methods of analysis. The results reached underline that entrepreneurship was a driving force of sustainable economic development; nevertheless, its growth was insufficient to bring an economic breakthrough for the member states. Consequently, it was concluded that the European Union should provide more initiatives for the business by promoting liberal policies and strategies. From this perspective, the present research advocates to strengthen business freedom.

Key words: European Union, entrepreneurship, innovation, sustainability, economic development, liberal economic policies

INTRODUCTION

The European Union is presently facing multiple socio-economic challenges which are menacing future development perspectives. One of the challenges remains poor economic growth



and feeble entrepreneurship, particularly in the area of SMEs. Technologies and innovation represent the main competitive advantage the European Union can rely on to face permanently increasing global competition. However, in the long run, this prerogative can evaporate as the lack of robust economic development make the EU lose economic ground to competitors in the world. If so happens, the European countries can become 'open-air museums' of human civilisation, known more for beautiful architecture, traditions and tourism opportunities than for real economic power. To avoid this perspective, the European Union defined ambitious strategies and policies aimed to reignite entrepreneurship, boost innovation and enhance economic competitiveness without increasing the pressure upon the environment and its capacities to support further generations.

The present research reflects the socio-economic and sustainability performance of the European Union in the last decades. It assesses the strength of the EU countries' entrepreneurship and evaluates the interdependence between the community's socio-economic prosperity and business activity. Moreover, it generally described the main directions of development pursued by the decision-making factors and their relevance for the current state of affairs in the European Union. The main goal of this article is to determine the extent to which the growth in entrepreneurship can reinforce European Union's innovation and economic progress and foster sustainability of human activities, thus strengthening the EU's international economic positions.

To reach this goal, several objectives were established, including an overview of the main European initiatives to enhance entrepreneurship, innovation and sustainable development; determination of the evolution of business competitiveness of the European Union countries and the effect of the EU integration upon European trade performance; characterisation of the evolution of the socio-economic performance of the European Union states and analysis of the resource and energy efficiency of the European Union countries. The European Union is heterogeneous from the political, economic and social point of view comprising 28 states with different level of development.



Therefore, to reach relevant conclusions, it has been decided to approach the research matter both generally and individually.

The results obtained show that the European Union increased its positions in terms of entrepreneurship and economic growth. Moreover, it has reported relatively favourable evolution of its economic sustainability. Nevertheless, the positive evolution of economic sustainability and entrepreneurship was insufficient to break through the weak economic growth. Thus, the European Union decision-making factors should redefine their social market economic model, which was promoted in the last decades since it does not provide enough economic flexibility. Therefore, more liberal policies should be promoted.

LITERATURE REVIEW

A subset of relevant literature has been selected to have a broader understanding of the issues related to sustainable economic development of the European Union. The literature is aimed to highlight the main sustainability paradigms, the role of entrepreneurship in the European economy and the main areas of interference between them. Thus, according to Balkyte and Tvaronavičiene (2010), sustainability is a core characteristic of the modern economy which should be taken into consideration when developing policies and strategies to increase economic competitiveness. Thus, in this regard, competitiveness and sustainability are interrelated since an efficient economy does not only satisfy the present needs of people but also assure favourable conditions for the next generations to meet their own needs. Globalisation, economic dynamism and social progress are key features of modern economy, and therefore, policymakers should be aware of the necessity to keep all these dimensions in balance.

Moreover, Thomson and Snell (2013) underline that when speaking about sustainable economic development, first of all, it should consider energy sustainability. Overall, the whole European Union is lacking viable alternatives to present energy resources which are accessible, not polluting and cheap. Nevertheless, the most vulnerable countries from the European Union which are most exposed to energy threats include the



Eastern and Southern European states. Although it is argued that the primary objective of sustainability is to combat climate change, the real threat comes from the fuel poverty. Within the last years, many efforts have been undertaken in this regard; however, the energy sector of the European Union still lacks efficiency.

Steurer and Hametner (2013) say that the European Union is the leading global power in terms of promoting sustainable development strategies both horizontally across various economic sectors as well as vertically across different levels of government. However, sustainability, besides its environmental aspects, is composed of social development ones. In such a way, EU is rather succeeding in protecting the environment than in assuring favourable social perspectives to the population. In this regard, it can be mentioned that a range of Mediterranean EU countries ignore the social sustainability dimension.

The present governmental model of the European Union proves to be poorly efficient in combating social sustainability challenges. Bell and Morse (2010) add that sustainability is measured not only in terms of social, environmental and economic welfare. The concept should be broadened comprising the whole structure of sustainability, including, for instance, sustainability education in schools and the ways by which related information is disseminated. Furthermore, disambiguation should be realised by increasing data availability and reducing its opaqueness.

Sustainable development of the European Union cannot be achieved without supranational coordination by the European Council. Efficient economic development requires political support which is assured by this organism. Nevertheless, the attributions of supranational bodies are limited, hampering the economic development of the community as a whole since many legislative and coordination differences occurring at the level of national states create economic irregularities. Policy coherence is crucial in assuring the stability and future development of the economic potential of the European Union (Puetter, 2012).

Furthermore, Campos et al. (2014) specify that European integration has brought important economic advantages for the participating countries except Greece. At the same time, it should be highlighted that economic growth across the



European Union countries has been uneven because of the peculiar features of the states in terms of geographical position, culture and economic structure. It has been determined that without European integration, the current welfare level would have been 12% lower. According to Castro (2011), the increase in the level of integration in the European Union has positively influenced the economic growth of the community as a whole.

Institutional development is a determinant factor assuring better coordination in economic policies across the Union. Maastricht and Stability and Growth Pact regulating the general framework of the fiscal rules in the European Union has increased economic growth in the community. In such a way, strengthening the institutions of the EU is a key direction in enhancing economic growth.

Hout (2010) points out that security is a crucial precondition to assure favourable economic growth of a country or a region. Despite that overall, the European Union can be viewed as a stable and powerful global economic player, inside the community, there is a range of fragile states characterised by the weaknesses of institutions in dealing with modern social and political tensions. In such a way, the economic dominance of oligarchy, corruption, poverty, interethnic tensions and human rights violations can menace the future growth perspective of the EU.

Gänzle (2012) adds that sustainable development could not be achieved without security and stability within the European Union as well as in the neighbouring regions, including poverty eradication, which is one of the key elements in determining future perspectives of sustainability. In this context, it is in the interest of the European Union to promote stability and poverty eradication in the neighbouring states. Fragile countries are menacing future regional stability and therefore considerably reduce the perspectives of economic development.

Ignatov (2016) underline that the sustainable development of the economy of the European Union can only be achieved through consolidating its energy sector. On one hand, it is necessary to develop renewable energy-generating capacities; nevertheless, the role of traditional energy supplies should not be neglected. It is imperative to rationalise their use and



increase the economic productivity. Moreover, the European Union, alongside with the Eastern Partnership, should build up unique energy infrastructure and minimise the influence and monopolistic position of the Russian Federation in the regional energy market. In this way, energy stability can be reached through larger integration of the neighbouring EU states into the common energy framework. This fact allows more active coordination of efforts and expanded economic growth potential.

The idea is developed and broadened by Sirbu et al. (2017), who specify that the European Union has developed various strategies on promoting sustainable economic development through increasing the efficiency of its energy capacities. Despite the criticism, the research has identified that the EU policies had favourably influenced its energy sustainability. Considering the fact that EU as a whole is the largest economy on the planet, moving it to sustainable energy requires titanic effort and huge investments. Nevertheless, the right steps have been undertaken, and the first positive results have been reported.

Apergis et al. (2010) conclude that cheaper and more accessible energy is the key to sustainable development. In the short run, nuclear-generated power can reduce the pressure upon the environment, yet in the long run, its effects are unpredictable. At the same time, in the short run, renewable power tends to be economically nonjustifiable; nevertheless, long-term advantages are considerable. The key to overcoming energy deficits relies not only in developing generating power but also in enhancing storage capacities and distribution.

Lee and Brahmasrene (2013) say that entrepreneurship is the driving force of economic growth in the European Union. Within the European Union's business sector, a strategic role is played by the touristic industry, which is a determinant factor of the economic growth of the community. A particular feature of the tourism industry is the fact that it is dominated by SMEs. Moreover, touristic industry is the key to European economic sustainability since it is inversely related with the level of CO₂ emissions. Furthermore, the more favourable the development of the touristic industry is, the more attractive is the EU for FDI.



Audretsch (2007) comes also to highlight that entrepreneurship is the key driver of economic growth. It is catalysing the transformation of capital and knowledge resources into economic development. Lack of knowledge and competencies, as well as excessive regulation, could be regarded as barriers which impede knowledge commercialisation and therefore favourable economic spillovers of entrepreneurship. Contrarily, the role of regulation is to create favourable conditions in which entrepreneurial competencies are stimulated and bureaucracy is limited. Thus, for the entrepreneurship to be efficient, regulation should be a filter and not a barrier.

Millán et al. (2014) identify that entrepreneurship is the driving force which can help the European Union overpass the present and future challenges. Policies promoted should encourage entrepreneurial persistence and minimise the costs of entering business and operating and activating, as well as exiting, the business. Particular attention should be offered for entrepreneurs who enter business from being unemployed since in this area, persistence is lower compared with the overall entrepreneurial survival. Thus, European policymakers should provide a balanced business environment which is flexible and competition-oriented.

At the same time, it should be underlined that according to Liñán and Fernandez-Serrano (2014), culture determines the level of entrepreneurial activity within a society and therefore its economic performance and income. Although the European Union tends to level the economic differences through specifically designed policies, including the cohesion policy, the cultural peculiarities make it difficult to reach similar results for all countries. Besides culture, geographical position is also influencing countries' economic success.

In conclusion, despite all the differences, the European Union in general tends to rely more on autonomy and egalitarianism than on embeddedness and hierarchy. Moreover, Central and Northern Europe are closer to this general European image, whilst English-speaking states, Eastern Europe and the Mediterranean have their own distinguishable characteristics. In such a way, entrepreneurial behaviour varies, as well as the



attitudes, towards economic sustainability and quality of economic growth.

Rosenbusch et al. (2013) consider that the external environment is determinative in motivating entrepreneurs to undertake certain activities related to risk, including innovation. Specific external economic and environmental settings motivate firms to use one or another tool to foster their adaptability to new conditions to achieve above-average business performance. The entrepreneurial environment's munificence, hostility, dynamism and complexity determine for firms which steps should be undertaken to satisfy stakeholders' interests, maximising social benefits. Moreover, government involvement in business, particularly in the high-technology area, is pointless. Thus, Grilli and Murtinu (2014) state that the European Union established several governments and managed venture capital funds. These aimed at boosting EU's economic competitiveness through increasing the community's innovation and entrepreneurial capacities. They also have been directed towards stimulating the sales and employee competencies of the European Union high-tech firms.

The analysis performed highlighted that the initiative had little effects as compared with the expected impact. At the same time, independent venture capital funds demonstrated a favourable and relevant impact on firms' economic performance. Moreover, the favourable effects are also reported by both types of investors, however, only when syndicated funding is led by private funds. Thus, it has been concluded that governmental control over venture capital is rather ineffective.

Copeland and James (2014) mark that the European Union delayed economic reforms in 2009, worsening the overall community's competitiveness. Europe 2020 strategy has been influenced by two major factors—sovereign debt crisis and politics stream. In this context, entrepreneurship has been prioritised, and the changes in the policies created major economic opportunities for the business environment. At the same time, Croce et al. (2013) determine that high-technology industries play an important role in the development of European capital productivity. Although venture capital investments do not bring



the expected impact in the short run, they are decisive in the long run. It is necessary to underline that an important driving force for investors to finance venture-related activities is the value added which can be reached. At the same time, it should be highlighted that productivity and value-added growth must be regarded separately since they do not always match.

Furthermore, according to Varis and Littunen (2010), to be successful when introducing a new product or innovation on a market, it is necessary to consider the use of information dissemination channels. Moreover, the launch of new products or market innovations is associated with firms' development and growth. Nevertheless, it should be considered that entrepreneurial innovation activity is not always oriented towards increasing firms' profitability, particularly in the short term. Furthermore, in the process of developing new products and processes, firms should consider regular competencies' re-actualisation to keep up with the changing environment. In this condition, sustainability should be rationalised and economically justifiable.

Entrepreneurship depends on various factors, including education, macroeconomic environment, country's policies and others. Nevertheless, one of the most important determinants of country's business success is the dominant culture within the society, which is either socially supportive or performance-based culture. It should be underlined that each type has its own economic stimulating and limiting factors. However, overall, it can be specified that socially supportive entrepreneurship is rather stimulated by the supply side and performance-based entrepreneurship by the demand side (Stephan and Uhlaner 2010).

Moreover, Provasnek et al. (2017) highlight that although the sustainable corporate entrepreneurship is in its incipient stage, its importance is increasing. Developing sustainable strategies help entrepreneurs in creating a favourable image, bringing multiple advantages for the company. Nevertheless, presently being sustainable can reduce short term a company's competitiveness; therefore, it is the task of the government to stimulate clean businesses to grow and flourish. Furthermore, Lumpkin et al. (2010) mention that successful entrepreneurship should prioritise long-term strategic goals over short-term mercantile



interests. This fact is valid both for large corporations and for SMEs, which often are represented by family-owned business.

Nevertheless, short-term entrepreneurial objectives must not be neglected since they assure day-to-day business performance. Usually, long-term goals are composed of areas related to innovativeness, proactiveness and autonomy, whilst short-term objectives involve risk-taking and competitive aggressiveness. Overall, a favourable economic performance is achieved through providing an efficient business environment which should be dynamic to stimulate competition but at the same time with clear and predictable environmental conditions to foster long-term innovation.

Considering the framework offered by the literature studied previously, it is also imperative to mention that for Olaru et al. (2010), the maturity of management quality is an important part of the general economic success of a country. SMEs in this regard often lack professional managerial competencies which can improve business productivity. Therefore, the government should stimulate a business environment which is transparent and relatively accessible from the point of view of regulation. The process of evaluating and monitoring the performance of SMEs' management at the governmental level should be efficient without burdensome procedures.

Furthermore, Perkmann (2002) say that cross-border cooperation is a significant pillar supporting entrepreneurship. The main task of European policymakers is to stimulate interregional cooperation since it allows the business environment to become uniform and thus create larger and more competitive markets. Supranational, regional and national authorities should work in this direction as it is a cornerstone of European economic success.

By analysing the previously mentioned literature, several ideas can be underlined. First, entrepreneurship is the driving force of the economic development in the European Union. External factors influencing business activity across the community, including legislative framework, level of security and stability, as well as transparency, are decisive in motivating people to undertake entrepreneurial activities. At the same time, it should be remembered that cultural environment is a key determinant in stimulating the environment; therefore, legislation across



the Union shall have a certain degree of flexibility. Yet the universal principles of doing business should be equally protected within each member state; thus, entrepreneurs from Romania or Bulgaria must benefit from the same quality of justice of administration as, for instance, businesses do in Germany and Sweden.

Second, to provide general sustainability of the European economy, the government of the community at the supranational and national level should direct efforts in providing cheap, accessible and nonpolluting energy.

Finally, favourable conditions must be created for the business to innovate and invest in productivity growth to be able to tackle the pressure from external competitors, that is, China, the USA, South Korea, the Russian Federation and others.

The present research comes with a synthesis of the role of entrepreneurship in the economic development of the European Union considering the issues of sustainability as well as underlining which conditions should be respected to boost economic competitiveness and innovation. In short, this paper highlights the steps the European Union has made in promoting economic development, considering modern-day social, economic and environmental challenges.

METHODOLOGY

The present research is based on both qualitative and quantitative methods of analysis. This double approach is aimed to raise the accuracy of the results obtained and therefore increase the scientific relevance of the conclusions reached. Qualitative assessment is applied to overview the main European Union initiatives to enhance entrepreneurship, innovation and sustainable development. In this way, the provisions of the main European level development strategies and their key characteristics are analysed. Consequently, the most important features shaping the economic development framework in the European Union both at the national and supranational levels are identified. Furthermore, there are described particular sustainability and economic goals which should be realised to provide the countries of the European Union increased competitiveness and capacity.



Likewise, these areas are covered considering the issues related to social welfare and social-oriented market economy, the principles widely promoted in the European Union.

Quantitative methodology is applied to evaluate the entrepreneurial performance of the European Union in general and of the member states in particular. The business efficiency is analysed considering several indicators of sustainable economic development. Thus, entrepreneurial performance is investigated through assessing the EU countries' business competitiveness reflected by per capita R & D expenditure made by the business sector of the EU countries. Afterwards, general economic competitiveness and growth potential is analysed by assessing the evolution of the intra- and extra-European per capita exports. In such a way, it is possible to identify the effects of integration upon internal and external economic competitiveness of the member states.

Moreover, the real GDP per capita growth, EUR per inhabitant in chain-linked volumes (2010), is determined. This fact makes it possible to assess the real change in the socio-economic performance of the EU states within the last decade. Furthermore, there are assessed resource productivity (euro per kilogram, chain-linked volumes [2010]) and energy productivity (euro per kilogram of oil equivalent). In addition, the share of renewable energy in gross final energy consumption is analysed. Thus, these three indicators provide a general view of the evolution of the European Union's sustainability performance. In such a way, all the indicators which were quantitatively assessed describe the performance of the European Union in general and in particular of the member states in terms of entrepreneurship, innovation, economic competitiveness and sustainability.

Finally, correlation coefficient is calculated between business R & D expenditure and the examined indicators, that is, intra- and extra-European per capita exports, real GDP per capita growth, resource productivity, energy productivity and share of renewable energy in gross final energy consumption. Consequently, the interdependence between the EU countries' entrepreneurship and business performance and the selected indicators of socio-economic development is investigated.



Furthermore, the most important socio-geographic variables determining the countries' entrepreneurial and innovation performances are identified. They are reflected through the venture capital and private equity country attractiveness index, which covers various aspects such as economic strength, complexity of capital markets, tax efficiency and investor protection. It also marks the influence of socio-geographic variables upon the business attractiveness of countries comprising the human and social environment, institutional strength, entrepreneurial culture, risk aversion, business opportunities (including population density, resources), environment quality and innovation capacities. Thus, countries having higher rankings and scores are viewed as having stronger business potential to foster sustainable development of the economy.

As a result, it can be identified whether there is a connection between EU entrepreneurship and countries' sustainable development perspectives. If the connection is strong, then European Union policymakers should prioritise entrepreneurship as the main driver of sustainability, motivating business to increase the performance of their activities and minimise bureaucratic interferences in the socio-economic processes.

RESULTS

Overview of the Main European Initiatives to Enhance Entrepreneurship, Innovation and Sustainable Development

In the first decade of the 21st century, it has become clear that the European Union countries must change development priorities to adapt to the new global conditions as well as to tackle internal challenges. Thus, Europe 2020 has emerged as the main document of the European Union in which it has been settled the main development directives to be realised within the period of 2010–2020. The strategy came to reinforce the leadership of the European Union in terms of social equity and environmental protection, aiming to promote smart, sustainable and inclusive growth. It should be underlined that Europe 2020 follows the Lisbon Strategy (2000–2010) and has considered the errors made in the previous generation. In such a way, enhanced cooperation



between the supranational bodies of the EU and national governments became a cornerstone of the overall expected success.

Europe 2020 has seven flagship initiatives which are directed towards bringing the European Union empowered economic activity, lower unemployment and, as a result, higher economic competitiveness. These initiatives are Innovation Union, Youth on the Move, a digital agenda for Europe, an agenda for a resource-efficient Europe, an industrial policy for the globalisation era, an agenda for new skills and jobs and a European platform against poverty. As it can be observed from the names of the initiatives, they aim at boosting the main economic drivers of competitiveness, including entrepreneurship, innovation, technological literacy and sustainability of human activities. Overall, Europe 2020 brings new perspectives to the socio-economic integration amongst countries by stimulating the development and standardisation of a unique European entrepreneurial environment. In other words, it is oriented towards offering the same opportunities in terms of legislative framework and regulation for the population all across the Union.

Thus, the values and principles of social market economy were strengthened, stressing the importance of environmental protection. To be more specific, Europe 2020 is directed towards reaching the following objectives: employment (75% of people aged 20–64 to be in work), research and development (at least 3% of GDP to be spent on R & D), climate change and energy (20% increase in the energy efficiency and in the share of renewable energy in the total consumption balance), education (lowering school leaving rate below 10% and at least 40% of people aged 30–34 having full higher education) and poverty and social exclusion (to decrease the number of people at risk of poverty and social exclusion with at least 20 million) (European Commission 2018).

In 2014–2015, the European Commission (2018) performed an analysis of Europe 2020 and its suitability to realise the proposed objectives. The review made, the conclusions reached and the discussions which followed showed that this strategy is still relevant to stimulate sustainable development of the European Union through the promotion of job creation and growth. In such a way, until 2020, the Europe 2020 strategy remains the



main act in coordinating the European Union's efforts in boosting its economic competitiveness, considering the issues related to social equity and environmental protection.

Entrepreneurship 2020, an initiative of the European Union, aimed to boost business activity within the community. The key idea behind this initiative regards the necessity to motivate entrepreneurs to develop efficient businesses to provide the rest of the population with jobs. Entrepreneurship 2020 is composed of three dimensions of immediate intervention, including the provision of proper business education to the population, optimisation of administrative and bureaucratic barriers and re-ignition of the business culture in the EU member states. It is necessary to underline that the strategy is developed within the framework of competitiveness and industrial policy of the European Union. At the same time, it should be mentioned that the action plan developed on the base of this strategy considers the provisions of Small Business Act. In such a way, the pack of actions aims at boosting entrepreneurial activity within the citizens of the European Union through easing regulatory burden by establishing clearer and more transparent rules.

Furthermore, the strategy fosters the access of business, especially of SMEs and start-ups, to cheap financial resources and enhances their internationalisation opportunities. Therefore, the European decision-making factors intend to create a more liberalised market for developing business, providing equal opportunities for entrepreneurs from each member state. The roles which the EU supranational bodies, as well as national governments, assume in the framework of this strategy are oriented towards increasing the quality of the business environment, for instance, making more efficient intellectual property protection or corporate social responsibility. Thus, overall, they have to promote a more competitive environment for business activities in the European Union.

Horizon 2020 is one of the main strategic initiatives of the European Union directed towards increasing the competitiveness of community's research and technological capacities. It is necessary to underline that Horizon 2020 represents the eighth generation of the Framework Programmes for Research



and Technological Development. The first generation of the programme started in 1984 and was allocated a budget of 3.8 billion of EUR equivalent. As the interest of the European Union has considerably grown in this area, so did the financial resources allocated. Thus, Horizon 2020 was offered funding of EUR 80 billion for the period of 2014–2020, whilst the prior generation was allocated 53.2 billion. It can be remarked that the sixth generation was directed only 16.3 billion. Consequently, it can be remarked that from 2002 to 2014, the funding for the EU Framework Programmes for Research and Technological Development has increased five times. This fact underlines that the European Union has established as a determinative priority to reinforce its technological capacities to be able to compete on the global arena with the superpowers, that is, the United States of America and China as well as other economies, including South Korea, Japan, Brazil or India.

Horizon 2020 is the financing instrument implied to realise the other EU strategies, including several initiatives of Europe 2020 related to research and technological development. In this regard, it should be mentioned that through the framework of the Horizon 2020, the European environmental research and innovation policy is realised. In this way, it is stressed that sustainability is one of the main cornerstones of the future economic development of the European Union.

Generally, Horizon 2020 has three pillars determining the main areas of interests, including excellent science, industrial leadership and societal challenges. In such a way, the European Union is aiming to comprehensively tackle the issues related to technological development and research, investing in raising the quality of scientific research and improving its commercialisation opportunities as well as economic applicability. Furthermore, research and technological outputs obtained with the support of Horizon financing are aimed at solving present and future environmental and societal challenges.

Concluding this section, it is necessary to underline that the political, economic and scientific elites of the European Union understood that the community is losing positions in the global economic competition. Moreover, modern challenges such as



climate change, environmental degradation, water shortage, global warming and energy crisis determined the European elites to react. Thus, stimulation of entrepreneurship and innovation aim to boost the economic competitiveness of the European Union countries, considering the sustainability issues. In this framework, the key to European development is entrepreneurship or the organised efforts of individuals to combine available resources to obtain a certain benefit. Thus, the main task of policymakers is to provide additional initiatives for business to become more viable to support further growth, offer jobs and innovate.

Business Competitiveness of the European Union Countries

Per capita R & D expenditure made by the business sector has been selected as an indicator showing the competitiveness level of the EU countries' entrepreneurial environment. This indicator reflects the stock of knowledge present in a certain society and the efficiency this knowledge is involved in the creation of new added value. In such a way, the higher is the per capita research and development investments, the larger is the contribution of a society made to enhance innovation, technological development and productivity. Thus, countries with a more competitive and powerful business sector are characterised by higher per capita business R & D expenditures.

By examining Figure 1, the best-performing EU countries in terms of entrepreneurial competitiveness, as well as their registered dynamics, can be identified. Accordingly, the EU states with highest business research and development spending (for 2016) are Sweden, Denmark, Austria, Germany and Finland. Moreover, it should be underlined that within the period 2006–2016, the mentioned states have increased the spending. Finland and Luxembourg, in this regard, are exceptions. It is necessary to remark that the overall European Union's level of business research development expenditures has constantly grown within the researched period as to reach 386 EUR per capita in 2016.

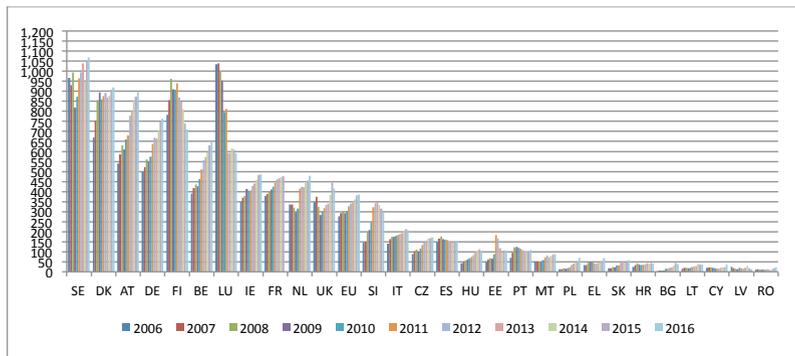
The least-performing countries are Romania, Latvia, Lithuania, Bulgaria and Croatia. These countries' business competitiveness is relatively low since the function ability of



their market economy mechanisms is weaker, former communist past influencing negatively the entrepreneurial capacities of the population. However, Slovenia, Czech Republic and Estonia succeeded in reaching a relatively high level of business competitiveness, being closest to the EU average amongst former communist EU states (Figure 1). At the same time, it can be remarked that the discrepancy in terms of entrepreneurship between the leading EU nations and out siding ones is huge. This fact is signalling about the poor performance of entrepreneurial policies which have been promoted within the period of 2006–2016.

In these conditions, the application of the principles of social market economy in the countries with weak entrepreneurial activity is improper. Instead, the governments, as well as the supranational European Union bodies, should focus on boosting entrepreneurship through liberal policies. In this regard, it can be mentioned the instance of Estonia, which relied in a greater extent on liberal market principles than the other former communist EU nations and reported more favourable results in terms of entrepreneurial activity (Ignatov 2017).

Figure 1: Per capita R & D expenditure made by the business sector of the EU countries expressed in EUR



Source: Eurostat, indicator's code [rd_e_gerdtot].



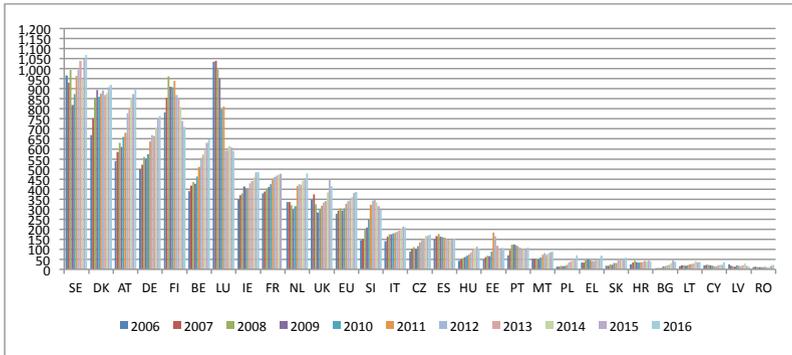
By analysing the intra- and extra-European Union per capita exports, the effect of the overall entrepreneurial efficiency of a country upon its general economic competitiveness can be concluded. The first indicator assessed is the intra-European per capita exports, million EUR (Figure 2), which informs about business efficiency in the context of the European Union. In such a way, by 2016, the most economically competitive nations were the Netherlands, Belgium, Luxembourg, Ireland and Czech Republic. Surprisingly, Germany, Italy and France register relatively average results. Therefore, the idea that these countries benefit the most from European integration is rather incorrect since their intra-EU per capita exports are closer to EU average than to top 5. The least-performing countries are Greece, Cyprus, Croatia, Romania and Bulgaria. It is important to mention the UK, which also registered relatively low results.

If for the first countries, it can be mentioned that the business environment is weak, and therefore, the states are less competitive than the results of the UK, which are justified by the fact that the economy is equally connected to the former colonial possessions, that is, India, as well as by the specific characteristics of its economy. At the same time, considering the dynamics, it can be underlined that the vast majority of the EU countries have registered growth, including Czech Republic and the Netherlands; however, there are few exceptions, that is, Sweden. Thus, it can be observed that the general intra-EU per capita exports have increased within the period.

In such a way, it can be concluded that the integration of the countries has offered more opportunities for the business and therefore strengthened the countries' economic competitiveness.



Figure 2: The intra-European per capita exports expressed in EUR

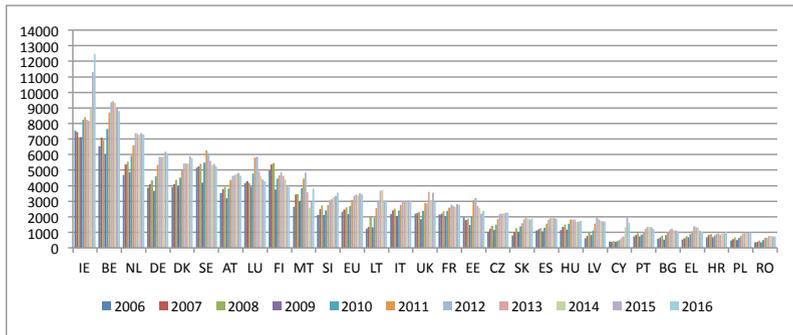


Source: Eurostat, indicator's code [ext_lt_intratrd] & [tps00001]

The extra-European per capita exports are intended to show how the integration of the countries under the European Union has affected their capacities to face external competition. Considering the information presented in Figure 3, it can be underlined that the dynamics at the general level of the European Union are favourable since the extra-European per capita exports have increased from almost 2,470 EUR in 2007 to 3,400 EUR in 2016. Amongst the European Union countries, the greatest growth was registered by Ireland, the Netherlands, Germany and Denmark. In the case of Germany, European integration enhanced its business competitiveness, making the economy of this country highly efficient. Considering that by 2016, its intra-European exports reached 8,500 EUR per capita and extra-European by 6,100 EUR, reporting these indicators to the population of more than 80 million inhabitants, then it can be inferred that the wide access of German entrepreneurs on the EU market allowed an increase in business efficiency and, as a result, external competitiveness.



Figure 3: The extra-European per capita exports expressed in EUR



Source: Eurostat, indicator's code [ext_lt_extratrd] & [tps00001]

Evolution of the Socio-Economic Performance of the European Union Countries

The real economic growth of the European Union in the last decade was rather weak (Figure 4). Thus, within 2006–2016, the real GDP per capita has increased from 25,6 thousand EUR to only 27 thousand EUR in 2016. This fact reflects the stagnation of the European Union's economy, which had a real growth of 5.4% during this time. Many countries from the community have recorded a fall of real GDP per capita, including Greece, Italy, Portugal and Spain.

In these particular cases, the decrease is determined by the heavy sovereign debt the states have incurred, which undermined entrepreneurship, innovation and investments. The social market model which these countries promoted caused the reduction of the entrepreneurial activity and therefore of overall economic competitiveness. Other important economies of the European Union, including France, Belgium and Austria, reported modest growth, highlighting the idea that the excessive social spending these states made caused business stagnation.

Another point worth mentioning regards the former communist nations which integrated into the European Union in 2004 and 2007. Despite the fact that all the nations registered growth in this period, the increase is insufficient to minimise the development gap present in the European Union between the Western and Eastern nations. Thus, during 2006 and 2016,

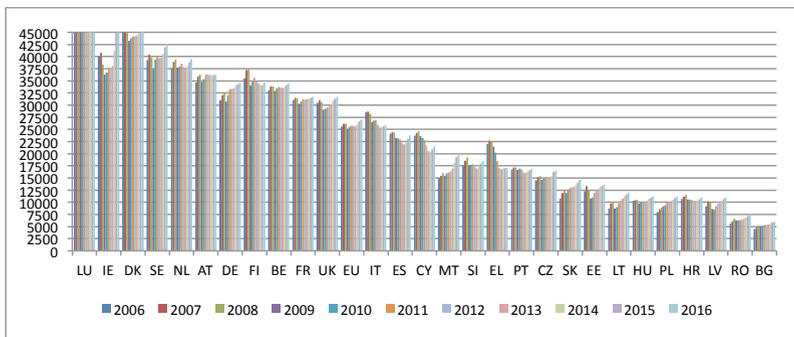


few steps have been made by the European Union states in reducing economic differences amongst the states. Furthermore, to improve the situation of the Eastern EU countries, it is necessary to reframe the present economic policies promoted in these states as well as the European Union priorities in the region. As a result, several causes of economic stagnation of the European Union, including excessive regulation, extensive bureaucracy and slow decision-making process, can be underlined.

Moreover, depending on the country, other problems hamper the development, that is, corruption, immigration or emigration, social environment degradation and erosion of entrepreneurial culture. Therefore, the excessive attention paid by the national and supranational EU decision-making factors to issues related to social equity, considering the social market economic principles, brought the European Union in a crisis of entrepreneurship, especially including SMEs. Since the EU is not a uniform structure, this inference is more or less valid for a particular country.

Considering these ideas, entrepreneurship should be offered more support at each level of EU and national governments. The support offered proved to weakly help reignite entrepreneurship, and therefore, a deeper and more comprehensive legislative approach is required to minimise the cost of business in terms of time, money and other resources.

*Figure 4: Real GDP per capita, EUR per inhabitant, chain-linked volumes (2010)**



Source: Eurostat, indicator's code [sdg_08_10]

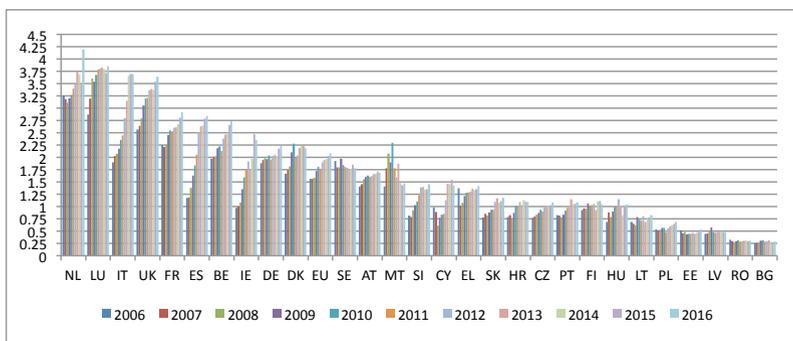
*Note: Several EU countries have registered real GDP per capita of more than 45,000 EUR



One of the main indicators reflecting sustainability is resource productivity, which is calculated as the ration between GDP divided by domestic material consumption, which is the totality of all materials directly used by an economy. Overall, the European Union has recorded growth of its resource productivity. Thus, in 2006, it was 1.5 EUR per kilogram, whilst in 2016, it reached almost 2.1 EUR (Figure 5). The most performant economies in terms of resource productivity are the Netherlands, Luxembourg, Italy and the UK, whilst Bulgaria, Romania, Latvia and Estonia are the least productive (Figure 5). At the same time, it is important to remark the dynamics by country.

Consequently, the highest growth of resource productivity was registered by Spain, Ireland and Italy. Romania and Sweden are the only states from the European Union whose resource productivity was higher in 2006 than in 2016. In general, resource productivity in the European Union has grown to 32%. Therefore, it is necessary to underline the idea that the efforts undertaken by the EU, as well as most of the national governments, increased the sustainability of the European Union's economy.

Figure 5: Resource productivity and domestic material consumption, euro per kilogram, chain-linked volumes (2010)



Source: Eurostat, indicator's code [sdg_12_20]

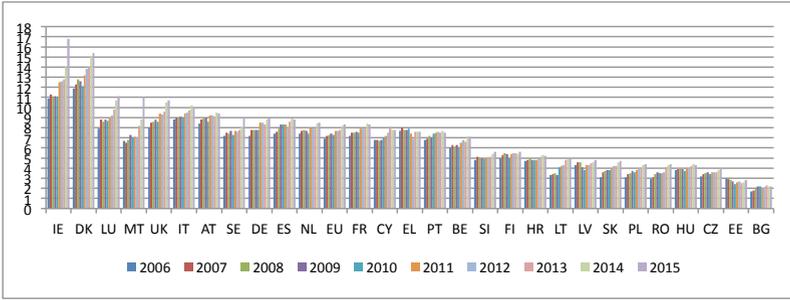


Another indicator showing economic sustainability is energy productivity (Figure 6). Within the researched period, energy productivity has increased at the level of the European Union to 20%. The most efficient countries in terms of energy productivity by 2015 were Ireland, Denmark, Luxembourg, Malta and the UK, whilst the least performing were Hungary, Czech Republic, Estonia and Bulgaria. Despite the modest overall growth in energy productivity, several countries from the European Union registered impressive results. These countries are Malta, Ireland, Romania, Slovakia and Lithuania, whose energy productivity within the period of 2006–2015 has grown to more than 48%. At the same time, for Poland, Luxembourg, the UK, Denmark, Bulgaria, Sweden and Czech Republic, the energy productivity increased to at least 25%. Estonia and Greece are the only European Union nations whose energy productivity has dropped. The rest of the states registered a modest rise of this indicator (Figure 6).

The rise in energy productivity is one of the most important signals showing the growth of the countries' economic sustainability since fewer fuel supplies would be involved in the production and distribution of at least same quantity of goods and services. To draw relevant conclusions, energy productivity should be analysed considering the state geographical conditions. Thus, for the countries from the Northern Europe and regions with low temperatures in the winter, energy productivity will be lower since important resources are directed towards heating up houses and social and economic infrastructure. In this regard, temperature fluctuations should be paid attention to, to minimise their effect a larger portion of time has been addressed. Romania and Poland, as well as Slovakia and Lithuania, have favourable evolutions in terms of energy productivity.



Figure 6: Energy productivity, euro per kilogram of oil equivalent



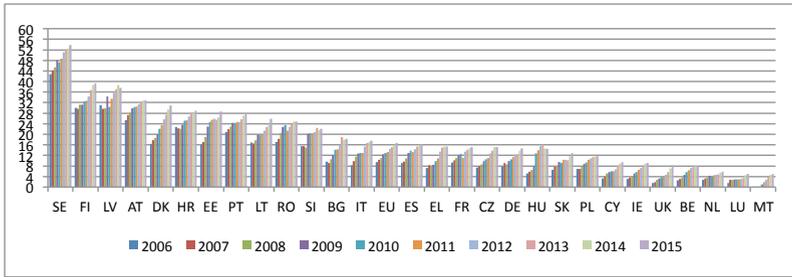
Source: Eurostat, indicator's code [sdg_07_30]

The European Union succeeded in developing important renewable energy-generating capacities. Thus, according to Figure 7, within the period of 2006–2015, the share of renewable energy in gross final energy consumption has grown from 9.5% to 16.7%. This achievement is a direct result of the national and European level policies which were promoted within the period. The countries leading in terms of renewable energy are Sweden, Finland, Latvia, Austria, Denmark and Croatia. Very close in position to these countries are Estonia, Lithuania and Romania. The least-performing European Union states in this regard are the UK, Belgium, Netherlands, Luxembourg and Malta.

At the same time, it is necessary to mention that all the countries registered positive dynamics. The countries which had registered the largest increase are Denmark (14.5%), Estonia (12.5%), Sweden (11.2%), Hungary and Italy (9%). In such a way, it can be remarked a powerful development of the European renewable energy-generating capacities. If the present tendency is followed, then this sector will expand and provide the European Union's citizens with clean and nonpolluting energy, a key to sustainability.



Figure 7: Share of renewable energy in gross final energy consumption in %



Source: Eurostat, indicator's code [sdg_07_40]

Calculation of Correlation Coefficient Between per Capita R & D Expenditure Made by the Business Sector and Several Indicators of Sustainable Economic Development (Annex 1)

Research and development expenditure of the business sector is a relevant indicator expressing the level of entrepreneurial competitiveness of a country. Thus, the higher is the spending, the more the business is oriented towards engaging in innovation-related activities aimed at boosting its economic efficiency. By calculating the correlation coefficient between the per capita R & D expenditure made by the EU countries' business sector and several relevant indicators of sustainable economic development, it can be assessed which is the relation between entrepreneurship and sustainability of economic activities.

As it can be observed in Annex 1, the vast majority of the countries register strong positive correlations between the indicators classified under the letters A, B, C, D, E, F and G. A strong correlation is identified by the light grey colour of the cells, which dominates the table. It can be observed that the countries whose entrepreneurship eroded because of worsening business climate, that is, Greece, Portugal, Cyprus, Spain, Latvia and Luxembourg, record negative or no correlation for almost all indicators examined. This fact underlines that business does not bring the expected impact upon sustainable economic development. This situation occurred as a result of decreasing entrepreneurship.



At the same time, it is necessary to mention the case of Finland, a Northern European country which faced also decline of entrepreneurial competitiveness in the researched period (Figure 1), and as a result, its sustainable economic development rather was driven by other factors, including government support. For the rest of the European Union states, entrepreneurship is closely linked to sustainability and economic development. In such a way, the European Union's national and supranational authorities should consider efforts to reinforce business culture to boost economic competitiveness without increasing the pressure upon the environment. Some of the measures include reduction of bureaucracy and simplification of regulative environment.

Socio-geographic Variables Influencing the European Union Countries' Individual Entrepreneurial and Innovation Performances

The European Union is a heterogeneous structure comprising 28 nations of different development levels, economic and social priorities and geographical context. The variety of factors inevitably influences the countries' individual entrepreneurial and innovation performances. Moreover, they determine the character of economic activities and the framework through which sustainable development is promoted. Accordingly, the present research identifies the following socio-geographic factors as inevitably determining the EU states' sustainable economic development: population density, historical context, vicinity and location and dominant culture.

Consequently, the regions registering higher population density have increased perspectives to progress since they report several advantages, that is, larger human capital and resources, stronger economic activity and value-added creation, higher cost efficiency, more intensive technology orientation and public services. It is important to mention that these advantages are valid only in the conditions of developed infrastructure and institutions, which can assure advanced living standards to the population.

Historical context is another important factor affecting the business and innovation performance of the EU countries. This



defines the inheritance of nations, that is, tangible (infrastructure, buildings, industrial facilities and touristic attractions) and intangible (institutions and the principles they function). Thus, it can be mentioned that there is an important difference between the Western and Eastern EU, the first inheriting stronger infrastructure and more developed infrastructure. This is a direct consequence of the past, the West being influenced by capitalist whilst the East by communist.

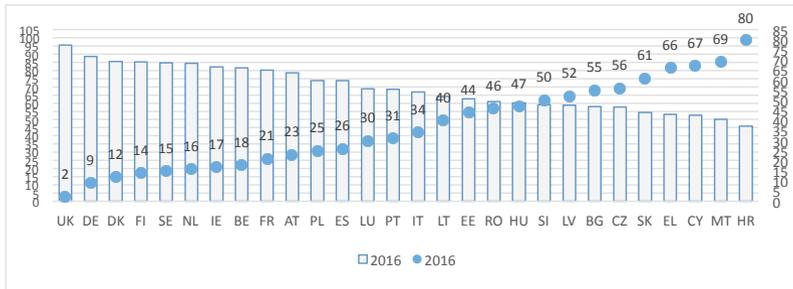
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Vicinity and location is also a determinative factor marking the success of countries in pursuing sustainable economic development. Thus, it can be highlighted that it is more advantageous to have wealthier and more stable neighbours, contributing to higher economic growth and development. Dominant culture is another important factor marking the development and sustainability of countries. It determines the values which are prevailing, including the risk aversion, an important element of entrepreneurship and innovation. The lower is the risk aversion, the higher is the entrepreneurial orientation of the nation since business and uncertainty are strongly interconnected.

Figure 8 shows the global rankings of the European Union countries in terms of entrepreneurial and innovation attractiveness with stronger potential to support higher sustainable economic development. The UK and Germany are the leading countries of the EU with strongest business competitiveness, opportunities, economic sustainability and innovation capacities. They are followed by Denmark, Finland, Sweden and the Netherlands. The most vulnerable countries are Greece, Malta, Cyprus and Croatia.



Figure 8: The Global Venture Capital and Private Equity Country Attractiveness Index, 2016



Source: IESE Business School, University of Navarra & EM Lyon Business School (2016).

CONCLUSION

The present research concludes that the present economic model chosen by the European Union policymakers, namely, the social market one, is rather slowing down economic growth within the community. As it was demonstrated, entrepreneurship is a driving force of sustainable economic development in the vast majority of the European Union countries. Despite the fact that in the period of 2006–2016, business activity and its competitiveness increased on average in the European Union, it was insufficient to assure quick recovery from the crisis and provide stable and viable economic growth.

The main factors undermining economic progress in the European Union were related to eroding the business environment. Depending on the country, these factors include high bureaucratic pressure, declining social environment, high level of corruption, complex business regulation, inefficient social protection mechanisms and so on. In these conditions, the cost of entering, developing or exiting the business went up, demotivating people to engage in business. Or in other words, poor growth in terms of entrepreneurship in most of the European Union states was determined by the high cost of failure. This fact is closely linked to the present social market economic model widely promoted by the policymakers.



In such a way, the wide European and national-level government support provided through various programmes and mechanisms to the business sector is not bringing the expected impact since entrepreneurship is not depending only on financing but also on a wide variety of social conditions and individual characteristics. Moreover, national and supranational government support to business creates market imbalances as market interferences in supporting one or another player determine overall business intensity decline. Furthermore, governmental business support motivates high inefficiency of entrepreneurship since it determines an increased level of financial waste occurring as a result of shadow scheming involving both bureaucratic and business representatives. At the same time, a high level of bureaucratic regulation increases market inflexibility, which in the conditions of raising global competition reduces the overall economic efficiency of the European Union.

Therefore, it is necessary to implement more liberal economic policies both at the level of European Union as well as of national governments to provide increased opportunities for the business sector. As it was demonstrated in the present research, entrepreneurship is capable of accelerating economic growth in a sustainable manner by increasing innovation and overall efficiency. Thus, revitalisation of business activity in the European Union is required to enhance the community's economic competitiveness capacities.

A limiting factor of the present research includes the difficulty in assessing the heterogeneity of the cultural and social environments present in the European Union. Moreover, it can be assessed deeper the impact of specific European Union mechanisms upon increasing the community's entrepreneurial and innovation capacities. At the same time, there is the possibility to specifically determine the EU countries' priorities considering the sustainability of economic activities depending on environmental and social conditions.

Further research opportunities include the identification of mechanisms through which the European Union can reduce bureaucratic pressure and increase administration efficiency. Likewise, the sustainability and economic performance of the



European Union countries by regions can be analysed, offering the possibility to determine more exactly specific economic characteristics. Moreover, the impact of cultural and social environment upon business activity can be assessed.

The present article is addressed to increase the awareness of policymakers and academic community regarding the importance of dynamic entrepreneurship in boosting the economic development of the European Union in a sustainable and innovative way. Furthermore, it underlines the necessity of providing a favourable business environment for the population to motivate people to develop entrepreneurial activities. Finally, it highlights the necessity to promote sustainable business values within the society to empower the economic competitiveness of the EU countries.

ANNEX 1: SUMMARY OF CORRELATIONS

*	A & B	A & C	A & D	A & E	A & F	A & G
EU	0,88	0,94	0,69	0,93	0,97	0,95
BE	0,75	0,90	0,68	0,96	0,92	0,96
BG	0,93	0,74	0,90	0,21	0,61	0,87
CZ	0,97	0,98	0,75	0,95	0,85	0,97
DK	-0,11	0,68	-0,51	0,80	0,61	0,70
DE	0,77	0,96	0,94	0,87	0,96	0,98
EE	0,68	0,91	0,04	-0,22	-0,45	0,67
IE	0,24	0,87	0,66	0,96	0,87	0,97
EL	0,52	0,28	-0,50	0,41	-0,03	0,49
ES	-0,48	-0,64	0,66	-0,65	-0,44	-0,56
FR	0,20	0,93	0,24	0,95	0,92	0,92
HR	0,62	0,64	0,13	0,37	0,76	0,51
IT	0,40	0,87	-0,86	0,93	0,90	0,96
CY	0,65	0,65	-0,25	0,44	0,13	0,32
LV	0,04	-0,04	0,01	-0,40	0,21	0,28
LT	0,86	0,85	0,92	0,53	0,92	0,88
LU	0,84	-0,75	0,24	-0,80	-0,79	-0,75
HU	0,87	0,74	0,55	0,56	0,86	0,88



MT	0,56	0,40	0,85	-0,53	0,69	0,93
NL	0,90	0,92	0,25	0,86	0,83	0,80
AT	0,77	0,93	0,67	0,86	0,85	0,93
PL	0,95	0,87	0,92	0,88	0,94	0,90
PT	-0,17	0,00	0,13	-0,04	0,31	0,27
RO	0,63	0,35	0,74	0,06	0,36	0,23
SI	0,74	0,79	-0,46	0,95	0,48	0,88
SK	0,94	0,94	0,91	0,98	0,88	0,83
FI	-0,04	0,40	0,45	-0,29	0,00	-0,52
SE	0,74	0,58	0,79	-0,58	0,43	0,39
UK	0,36	0,61	0,91	0,41	0,63	0,58

*Note: Correlation calculated among the following indicators:

- A) Per capita R & D expenditure made by the business sector
- B) Intra-European union exports in million EUR
- C) Extra-European union exports in million EUR
- D) Real GDP per capita chain-linked volumes (2010), euro per capita
- E) Resource productivity euro per kilogram, chain-linked volumes (2010)
- F) Energy productivity euro per kilogram of oil equivalent
- G) Share of renewable energy in gross final energy consumption

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BLUE ECONOMY IN THE EURO-MEDITERRANEAN: IMPLICATIONS OF THE POLICY PARADIGM

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Policy paradigms and related social debates influence the development of policies beyond agenda setting. As the blue economy concept becomes one of the key concerns for the global marine and maritime domain, including in the Euro-Mediterranean region, the question arises as to its significance. This article aims to evaluate the transformational potential of that policy paradigm. To do so, it firstly analyses how the concept of blue economy is interpreted in the regional context, and secondly, it considers the anticipated impacts of blue economy onto other policy priorities, in particular, that of enhanced regional cooperation. The blue economy notion is expected to reinvigorate the discussions on sustainable development in the region and have a harmonising effect on regulation and governance amongst the states. It is also expected to have an incentivising effect on commercial and research ventures, including capacity building of the region's human capital. However, blue economy and its associated financing, institutional setting and the focus on innovation are unlikely to change the course of improving co-ownership. This remains a challenge for the region.

Key words: Blue economy, blue growth, Union for the Mediterranean, regional cooperation, regional integration, policy paradigm, innovation



INTRODUCTION

70 | 'Blue economy' or 'blue growth' is the most recent approach to shape the marine and maritime spaces of both the Union for the Mediterranean (UfM) and the European Union (EU), respectively. It builds on the mainstream policy discourses that promote environmental concerns in the context of their potential for the economy and extends the attention previously devoted to terrestrial ecosystems to the marine and maritime spaces. The 'blue economy' paradigm has effectively raised the profile of the seas and oceans in global, regional and subregional contexts. This is fully reflected in its integration in the Sustainable Development Goals (SDG, number 14) and a number of other policy documents at the highest level.

Blue economy (which will, in turn, be related to and differentiated from blue growth) is a case of a policy paradigm. Recognising it as such, we know that it significantly frames policymaking at various levels. Not only does it communicate the goal and instruments of a policy, but it also defines the very understanding of a problem, alongside values, beliefs and terminology used for justifying a certain policy (Hall 1993, 279). As a powerful ideational tool, it constraints and determines the scope for political action (Sedelmeier 2001). Policy paradigms continue to be a meaningful factor in measuring progress towards policy goals and policy coherence (Nuttal 2005; Gauttier 2004) as well as in explaining policy change (Berman 2013; Baumgartner 2013).

A relevant question in the examination of policy paradigms is the extent to which they undergo a modification (or not) of their meaning as they spread across governance levels with very different available policy tools, mandates and ambitions. The focus on the transformational nature of a policy paradigm brings into relevance the literature on policy transfers (Dolowitz and Marsh 1996; Rose 1991; Benson and Jordan 2011), more precisely 'soft' forms of transfers involving ideas and concepts (Stone 2004).

This article will seek to contribute to determining the conditions for successful policy accommodation as judged by those



engaged in it (Dolowitz and Marsh 2000, 17). The premise is that adjusting the transfer of a policy, instrument or paradigm to the specific nature of the receiving regime is conducive to its success (Dolowitz and Marsh 2000, 19–20; Penca 2016).

This article thus takes an interest in the transformative journey of blue economy and its impact. This paradigm emerged in the international environmental policymaking and spread therefrom both horizontally to other international avenues and vertically to the EU and the Euro-Mediterranean context. This article observes the implications of such a journey on the existing policies. How does the paradigm change as it trickles down in governance levels? Do actors deploy it to serve their needs?

This article uses the methods of thick description and historical evolution to uncover the transfer of the ‘blue growth’ paradigm from the global (UN) to the regional level (Euro-Mediterranean). The paradigm is of key significance to the latter because the sea represents the nexus of regional cooperation. The purpose is to reflect on the capacity of the Euro-Mediterranean region to not only passively receive the policy paradigm but also absorb it in a way that benefits its established priorities. The question guiding the analysis is, if ‘blue growth’ is a needs-based invention, how did the Euro-Mediterranean region shape it to serve its long-standing goals of stability and integration? How is it being interpreted in the regional context to reflect regional specificities?

This article is structured as follows: The next (second) section locates the emergence of the blue growth paradigm in the context of environmental discourses on the economic case of protection of the environment. The third section tracks the dissemination and implementation of blue economy within the UN, the EU and the Euro-Mediterranean policy structures, noting how its interpretation was tailored to the regional circumstances. The fourth section concentrates on the resulting opportunities in the Euro-Mediterranean region, including the complexities involved in transitioning to blue economy. The fifth section discusses the impact of a qualitative shift introduced by the blue economy paradigm in the context of the established regional priorities of regional integration and cohesion. Finally,



the conclusion evaluates the impact of the blue economy paradigm, suggesting that it represents a push for renewed cooperation in the region but with a limited transformational power.

THE EMERGENCE OF BLUE ECONOMY

| 72 | The notion of 'blue economy' (also 'blue growth') entered the agenda of environmental and mainstream policy just as the notion of 'green economy' was consolidated. Whilst this might seem like a swift change of discourse, the two notions, in fact, form part of the same movement. It is useful to see green economy as a framing notion and blue economy as its application in sectors related to the marine and coastal environment (UNEP 2012). For that reason, a review of the meaning of green economy provides an inevitable background to the description of blue economy.

Green economy emerged in global policy discourses in the run-up to the so-called Rio+20 conference to take place in 2012, twenty years after the landmark United Nations Conference on Sustainable Development (1992), which defined the political goal of sustainable development and gave it a legal character (FIELD 1994; Sands 1997). The Rio+20 conference was intended to reinvigorate the commitment to sustainable development. However, in contrast to the optimistic and cooperative political climate of the early '90s (Elliott 2013, 48), the preparation for Rio+20 was heavily marked by the global economic downturn that emerged in 2008 and a sense of uncertainty as to the impact of recession on the environmental governance.

In such a period, there were few better ways for environmental actors to be heard than to appeal to the policymakers in a concern for the economic dimension of sustainable development. The proponents of the green economy concept presented the economic recovery and environmental concerns as mutually reinforcing. In other words, they built an economic case for protection of the environment. Emphasis was placed on the effective communication of scientific language into one that decision-makers and perhaps also the general public can readily understand. This relied on the enhanced economic valuation of



nature (TEEB 2010; NC 2004) and the promise of economic boost and jobs offered by the environmental industries (UNEP 2011).

Green economy was eventually adopted as one of the two central themes for the Rio+20 conference (UN GA 2010; UN GA 2011), causing some unease as to its relationship to the established objective of sustainable development. Whilst sustainable development remained the key target throughout the preparatory and final conference documents, the discursive twist was nevertheless significant. At the global level, it reintroduced the perennial North-South tensions, and it distracted from the appeals for less materialistic and more holistic human-environment relations (Morrow 2012). At the level of national policy options, scholars contest the instrumentalisation of nature and natural resources and the increased role for markets on the account of stronger public regulation (Penca 2012). Despite these concerns, the adoption of green economy as a direction in environmental governance paved the way for the wide dissemination of its language by international organisations, governments and nongovernmental actors (*ibid.*).

It was in the process of the current brown economy becoming, at least rhetorically, replaced by the green one that some states felt excluded. These were Small Island Developing States (SIDS).¹ The realities of SIDS are marked by small but growing populations; small domestic markets; little to no opportunity to create economies of scale; expensive infrastructure and high dependence on international trade; limited resources; high communication, transportation and energy costs; often heavy reliance on imported fossil fuels and finally, fragile environments and susceptibility to natural disasters, vulnerability to climate change and sea level rise. They are also characterised by their disappointing progress towards sustainable development since the Rio Summit in 1992 and their continued vulnerabilities, which are aggravated by the climate change (CSD 2010). The

1 Roughly, 38 UN member states are members of the grouping, in addition to 20 non-independent territories, such as Puerto Rico, Martinique or Cayman Islands. SIDS have maintained the role of a negotiating block, especially in the climate change negotiations.



SIDS have higher incomes than other least developed and land-locked developing countries but have a narrow resource base. In the future-oriented discussions on sustainability, they insisted on ensuring a greater role of oceans, and especially fisheries, in sustainable development (ENB 2011).

Originating from SIDS, the blue economy discourse emphasised the invaluable significance of oceans and seas for the health of the planet and its economy and the potential of the marine and maritime sectors to contribute towards sustainable and equitable development. The discourse proposed to think positively about the defining obstacles to sustainable development. It invited SIDS to realise their potential by relying on the remarkable per capita marine resource area, constructing it not only in terms of the water column but also in terms of the seabed and air above the water surface. Blue economy also had an external dimension; it underlined the significance of these states in the international context.

Against that background, SIDS lobbied for the spread of the idea of blue economy and managed to succeed. The paradigm managed to gather considerable support in policy circles before the Rio Summit, both amongst countries and UN institutions (UNEP et al. 2012). Whilst the final document of Rio+20 failed to mention blue economy as such, the section on oceans and seas is relatively long and contains some of the most ambitious language of the entire document, mentioning a number of challenges in oceans and seas governance and expresses strong commitment towards SIDS (UN 2012, 158–180).

The relevance of blue economy certainly extended beyond SIDS and pertains to any coastal state and to the areas beyond national jurisdiction. Considering that areas beyond national jurisdictions alone encompass 64% of the ocean's surface and 45% of the earth's surface, blue economy empowers the vast majority of the planet in meeting sustainable development needs. In addition, the promise of blue economy should appeal also to any remaining stakeholders as 'oceans, including humankind's common heritage of the High Seas, represent in many respects the final frontier for humanity and its quest for sustainable development' (UNEP et al. 2012).



It was perhaps precisely the broad relevance of blue economy that enabled the concept to gain traction in the aftermath of the Rio+20 summit. The most notable impact of the discourse of blue economy was the formulation of a Sustainable Development Goal (SDG) 'Life below Water' amongst the 17 SDGs, adopted in 2015. This goal aims, inter alia, to prevent and significantly reduce marine pollution; sustainably manage and protect marine and coastal ecosystems; minimise and address the impacts of ocean acidification; end overfishing and illegal, unreported and unregulated fishing; conserve coastal and marine areas; increase scientific knowledge and transfer sustainable marine technologies. The inclusion of the paradigm of blue economy into the 'global goals' secured it an almost universal and unchallenged position in the policy of any actor over the next years. The ability of the blue economy paradigm to bode well with a number of goals, from economic to conservation and social, played a role in its popularity.

TRANSFER OF THE BLUE GROWTH CONCEPT

The blue economy paradigm diffused across the different for a different goal. Each avenue used the opportunity to push for a paradigm shift that puts its goals at the centre. One of the earliest institutional respondents to the calls for adoption of the blue economy approach was the Food and Agriculture Organization (FAO). For FAO, the blue growth approach resonated with its ongoing efforts relating to sustainable fisheries. FAO launched an internal 'Blue Growth Initiative' in 2013 and used it to boost its messages of sustainability and to further promote the Code of Conduct for Responsible Fisheries (adopted in 1995) as well as other relevant instruments, such as voluntary guidelines on small-scale fisheries (FAO 2015). FAO's understanding of blue growth also meant a strengthened promotion of aquaculture and certification schemes and an opportunity to showcase other sustainability practices or develop new ones, such as marking fishing gear, innovative water-saving aquaculture farms or financing instruments, such as green bonds (FAO n/a).



The EU turned the notion of blue economy into a comprehensive 'long term strategy to support sustainable growth in the marine and maritime sectors as a whole' (EC n/a A). Blue economy became the EU's maritime dimension of its internal strategy titled 'Europe 2020', which focused on smart, sustainable and inclusive growth. The EU's interest was in marrying the discourse of the maritime and marine opportunities with its own priorities, predominantly innovation and job creation. That focus on economic benefits was reflected also in the fact that the EU named its strategy blue growth.

The EU's goal was also to create synergies and coherence with its existing policy approaches. Given an extremely cross-cutting nature of blue economy, creating links and coherence was not difficult. For instance, the existing Marine Strategic Framework Directive, which aimed at protecting the marine environment since 2008, became one of the centrepieces of the EU's legislation on blue growth. It was revised in 2017, when it was enhanced by the Maritime Spatial Planning Directive (2014/89/EU) for an effective management of seas. The EU also wanted the blue growth strategy to support its (strong) climate policy (EC 2012). There were a number of overlapping goals in that regard. For instance, reducing the pressures from climate change on seas was an obvious goal for both blue growth and the climate policy. Equally important was creating ample opportunities for clean energy production at and from sea or making the seaborne transport, which has lower carbon emissions than land transport, even more efficient.

The EU indicated five priority areas, namely, ocean energy, aquaculture, maritime tourism, blue biotechnology and seabed resources (EC 2017a). In addition, the EU earmarked considerable funds for ocean-related research. Research activities have been seen as modes of unlocking blue growth, both to improve the knowledge per se and to assist industry in developing new products and services (EC n/a B). However, it should be noted that the resources devoted to the exploration of the sea were geographically unevenly divided. The Mediterranean region received only a smaller percentage of those channelled to the Atlantic for the focal initiative in coordinating research and



innovation activities. Whilst the AtlanOS project received 20.65 million euro for four years (distributed amongst 62 partners) for the project on ocean observations for a better management and sustainable exploitation of the maritime resources, the Bluemed project concentrating on the Mediterranean was worth 3 million euro (involving 11 partners).

The EU research funds have been complemented by those devoted to implementing and operationalising the blue growth agenda in specific sectors, such as aquaculture, coastal tourism, marine biotechnology, ocean energy and seabed mining. The private sector lagged behind and was continually encouraged to invest itself (EC 2017b). The EU's vision was for blue growth to deliver on results through (an interplay of) both advancement of knowledge and implementation of innovation.

Undoubtedly inspired by the EU's enthusiasm for blue growth, the Union for the Mediterranean held the first Ministerial Conference on Blue Economy in November 2015. The final declaration from that meeting recognised the importance of the blue economy 'to promote growth, jobs and investments and reduce poverty, whilst safeguarding healthy seas and developing a clear vision for the sustainable and integrated development of marine and maritime sectors at national and sea basin level' (UfM 2015). The statement was developed against the concern about 'the impacts of uneven economic development, disparities in research and innovation capacity, skills mismatch of the labour force, slow uptake of clustering and networking and limited access to finance' (ibid.). As such, the declaration did not define blue economy but instead situated promising economic sectors 'in the context of sustainable development'.

Overall, the Euro-Mediterranean regional understanding of blue economy developed with an ambition to have a positive distributional effect and reduce disparities. It was seen to represent an integrative tool for the region, increasing both the interconnectedness amongst industries, human activities and the ecosystems and the cooperation amongst countries. This is certainly in line with the existing priorities of the regional cooperation.



The Ministerial Declaration, with its concrete and wide-encompassing recommendations, acted as an action plan. The UfM set up a working group, tasked with identifying and promoting already running projects of relevance to blue growth and shaping future actions without duplicating existing efforts. A milestone in the blue economy agenda was the organisation of a Regional Stakeholder Conference on Blue Economy in 2017 with the purpose of exchanging information, views and best practices and discussing cooperation opportunities amongst current initiatives. The event was attended by over 350 representatives of governments, academia, businesses and experts from all the sectors of blue economy across the region. The purpose was to have the discussions feed into the next ministerial on blue economy, scheduled to occur in 2018 but postponed at least until 2020.

PRIORITY AREAS IN THE MEDITERRANEAN

The wide-encompassing nature of the blue economy paradigm implies an opportunity for innovation, for sustainable development and for contribution to the region's economy in a wide number of sectors. Amongst the many, the UfM has determined three leading 'blue' sectors based on their value added and jobs generated: tourism, maritime transport and fisheries and aquaculture (UfM 2017). With the Mediterranean coasts accounting for 30% of global tourist arrivals, producing over 3.3 million jobs and 140 billion euros of gross value added, tourism leads by far. These principal sectors are followed by shipbuilding and ship recycling, blue energy (production of renewable energy from wave, tidal, thermal and biomass sources), bioprospecting and deep-sea mining (Ibid.). The opportunities induced by blue economy lie in scaling up sustainability practices, especially drawing on innovation and cleaner production.

Nevertheless, a challenge remains as to how to justify the development of the sectors in a 'blue' and sustainable way with their projected growth (of tourism flows, density of maritime transport, demand for energy, exploitation of hydrocarbons and minerals under the Mediterranean seabed, etc.), all of which will



result in increased environmental pressures. This is particularly pressing as the Mediterranean is a semi-closed sea with fragile ecosystems. Their vulnerability is further aggravated by the sensitivity of this region to climate change. The Mediterranean ecosystems have been assessed to be amongst the most severely affected by global climate change (IPCC 2014).

The difficulty of securing benefits for sustainable development from, or in, blue economy is demonstrated through the case of fisheries. Across the world, fisheries are set against the incredibly complex interplay of ecological, socio-economic, political factors and also scientific uncertainty. Governance of fisheries in the Mediterranean is particularly complicated by a high rate of diversity of species and numerous jurisdictions. Here, bad fisheries management that hauled over decades has taken a high toll. The Mediterranean has the highest rate of unsustainably harvested fish populations in the world (FAO 2018, 40-1), with specifically alarming rates for certain species of high commercial value and the Eastern Mediterranean (Tsikliras 2015; Vasilakopoulou, Maravelias and Tserpes 2014; Tsikliras, Donouli and Tsalkou 2013). Additionally, there is an element of uncertainty as stock assessments for most Mediterranean species are not routinely performed and their true condition is difficult to assert.

The transformation to sustainability in the fisheries sector will have to encompass many aspects. Most simply, it will seem to imply a move from a context where innovation meant 'fish more' to a context where it means 'fish better and fish less'. This is a contested and unpopular objective and entirely contingent on political action. The well-known solutions of stopping damaging fishing techniques (especially bottom trawling), reducing overcapacity (also by removing harmful subsidies that contribute to it), ending overfishing (by following the scientific advice) and enhancing enforcement remain important. However, all of them demand more or less radical structural changes.

One promising direction is to empower small-scale fisheries, consisting of artisanal, subsistence and recreational fisheries (Pauly 2018). Small-scale fisheries have the advantages of being more selective than large-scale industrial fisheries and



use less fuel (Guyader 2013). They are also better at delivering the protein to the local markets as opposed to some industrial fisheries that use a good portion of the fish they catch for feed. Small-scale fisheries seem to generate more jobs whilst acting as custodians of the sea. The Mediterranean has traditionally had a high number of small-scale fishers, which have played a significant role in ensuring the social and environmental sustainability. Empowering them would require an improved governance framework, granting them both better access to fish and to the markets (FAO 2014). In the Mediterranean, there is a long way to go (Said et al. 2018).

Another direction for blue growth is aquaculture (Massa, Onofri and Fezzardi 2017). This has grown rapidly over the past decades and currently represents about 40% of the market for fish. Because of pressures on wild stocks and increased demand for protein, it is projected to continue growing and represent over half of the fish to humans by 2030 (FAO 2018, 184–185). This increases the need to address the current challenges of fish farms. The known risks include pollution from organic waste, the use of antibiotics to prevent diseases, the possibility of farmed fish to transmit diseases onto wild fish, the possibility of farmed fish to escape and thus affect the genetic pool of wild fish and the pressure on wild stocks created by the increased demand for fish meal. The opportunities of blue economy are precisely in monitoring and minimising these impacts, designing more efficient farms, reducing pollution, creating innovative alternatives in feed and conducting surveillance of the impact of farms on ecosystems. Social innovation and behavioural change can play a part in the management of fisheries and aquaculture, for example, by including less popular species in the diets and thus reducing the pressure on the few common ones.

The opportunities generated by blue economy are in conceiving the existing problems in a solution-oriented way. They point to the scope for optimising production, planning and consumption processes; approximating regulatory approaches and increasing stakeholders' cooperation for innovation-based growth. These are plausible impacts, but they are mostly focused on economic growth and do not necessarily translate into



sustainable development, one of the key goals for the region. To accomplish that, blue economy needs to remain focused on the social goals, such as improved health and well-being, poverty reduction and social inclusion. It also needs to further promote the use of ecosystem-based approach and planning tools (such as Integrated Coastal Zone Management) and conceive environmental conservation as investment (UNEP/MAP 2016). Important aspects of sustainable development agenda are also strong involvement of all stakeholders, cooperation, solidarity, equity and participatory governance.

Does the innovation and solution-oriented nature of blue economy inherently lead to more cooperation in the region? The next section explores this question.

BLUE ECONOMY AND REGIONAL COOPERATION

This section will discuss the impact of the blue economy paradigm on the goals of the Euro-Mediterranean region. Since the beginning of the political process in the Euro-Mediterranean region, the emphasis was on fostering regional integration and cohesion, ultimately with the idea of establishing peace, democracy, cooperation and prosperity (Barcelona Declaration 1995; Joint Declaration 2008). The emergence of blue economy as a paradigm pertaining to a shared resource, the sea, inherently tests the success of the regional governance in those aspects. Whilst a comprehensive analysis of the ways, through which the adoption of blue economy is affecting cooperation in the Euro-Mediterranean region, is beyond the scope of this article, the key lines of that influence are outlined below. They are clustered into the impact on funding of research, capacity building, industrial opportunities and regulation. The starting point for the comparison in the description below is the existing cooperation between the EU and non-EU Mediterranean states.

One of the most obvious and immediate impacts of the blue economy paradigm has been an overhaul of the research agenda to give more salience to marine and maritime issues. Research cooperation in the Euro-Mediterranean region is running via the Partnership on Research and Innovation in the



Mediterranean Area (PRIMA) and the EU's research and innovation programmes (the current one being Horizon 2020). Whilst the EU's research programmes are funded by and open to the EU member states and the associated countries (Tunisia, Turkey and Israel), PRIMA is a role model of true co-ownership between certain EU and non-EU Mediterranean countries, both in terms of the determination of objectives and contribution of funds.²

The growing emphasis on blue economy has resulted in increased resources devoted to research projects in the marine and maritime fields. The principal initiative by the EU for promoting the blue economy in the Mediterranean Basin is the Bluemed Coordination and Support Action, financed by the Horizon 2020 budget. Cooperation amongst the Mediterranean countries is at the heart of the initiative, but this is understood to run first from an intra-EU consensus and only in the second instance from the wider regional consensus. The original consortium members are European. However, as of 2018, Bluemed started to extend its cooperation to the South Mediterranean countries, which have been invited to contribute to the key document of the action – Strategic Research and Innovation Agenda (SRIA). They have largely adopted the existing priorities of the SRIA and contributed some new proposals. Overall, the priorities of the EU partners, notably also the European Commission, remain central. In that regard, the pilot activity of the Bluemed is focusing on addressing plastic pollution. The relevance of which for the Southern Mediterranean states and actors is less clear.

The extent to which increased attention to blue economy has actually resulted in an increase in concrete cooperation between researchers is, however, largely in service of funding available. At the moment, the majority of research funding for blue economy comes from the EU's Horizon 2020 calls. PRIMA initiative has not explicitly expanded its scope, and the most recent calls for research projects (2019) have still been unambiguously centred

2 PRIMA is a role model of co-founding and true co-ownership between certain EU and non-EU Mediterranean countries, including the determination of objectives. There were initially 14 countries participating, but the number has since grown to 19.



on terrestrial aspects of food, energy and water. Furthermore, the UfM's endorsement of blue economy was intended to draw mostly on the deployment of the EU instruments (Twinning Technical Assistance, European Neighbourhood Instrument, European Regional Development Fund, Horizon 2020 etc.). All the UfM countries agreed that in the context of blue economy, the EU internal policy tools were important to establish concrete and sustainable cooperation partnerships with mutual benefits (UfM 2015). This is in line with the UfM's general operational mode: UfM does not generate funds or act as a donor but functions as a catalyst for implementation of selected regional projects, including by helping them to fundraise (UfM n/a). For the promotion of work in the area of blue economy, the UfM itself has been a recipient of two grants, namely, by the Swedish International Development Cooperation Agency and by the European Executive Agency for Small and Medium Size Enterprises (EASME).

A related frontier where the impact of blue economy can be observed is capacity building. The rise of blue economy has very much been used to position science and knowledge at the centre of ocean-based sustainable economy. At the global level, that resonates with the preparations for the UN Decade of Ocean Science for Sustainable Development (2021–2030). At the regional level, it resonates with the ongoing commitment to decreasing the disparities in capacities in the region. In the Euro-Mediterranean, training programmes have been established specifically to train students, researchers and practitioners with interdisciplinary skills and operational approach to increase the employability in blue economy sectors. Some have only been open to EU member states,³ whilst others have made a mixed participation of Northern and Southern individuals a defining element.⁴

3 See 'Call for Proposals for EU Grants under the European Maritime and Fisheries Fund, Blue Careers in Europe', https://ec.europa.eu/easme/sites/easme-site/files/call_for_proposals_blue_careers.pdf.

4 See the blue growth training programmes by the Euro-Mediterranean University (EMUNI) and Italian National Institute for Oceanography and Applied Geophysics.



Cooperation between the stakeholders in the region can surely be boosted away from public funding via commercial/industry projects. The EU is trying hard to mobilise the corporate sector to invest into blue growth.⁵ The possibilities to tap in this regard relate especially to the use of technology (in maritime transport, exploration of the seabed, improvement of geographic information systems, renewable energy, biotechnology etc.). Assessing the extent of these collaborations is difficult to estimate, especially in this early stage, when many market ventures in the EU are funded by public funds. This may change as they transit to a new step in the innovation phase.

Away from the market, the effect of blue economy on regional cooperation should be explored through the lens of increased regulatory harmonisation amongst the Euro-Mediterranean countries. The EU has explicitly decoupled blue growth from regulation and 'red tape'. In contrast to strengthening regulation, the EU highlighted the strength of 'removing those barriers and market failures that prevent innovation and investment' (EC 2017c). However, relating blue economy with reduction in regulation may be more of a rhetorical value. It is very clear that blue economy is not only about efficiency but also about improvements in governance, most of which will require regulatory action. The 2017 adjustments made to the existing Marine Strategy Framework Directive to protect marine environment, mentioned above, well demonstrate the continual need for reinforcement of legislation.

Apart from legislation, governance framework can be enhanced also by the use of other 'softer' ways, most notably flexible and participatory regulatory forms (Lenschow 2002), or privately developed standards (Fiorino 2006; Meidinger 2006; Gulbrandsen 2010; Black 2001). Sustainability standards have a role to play in the effective implementation of sustainable development and have been expanding since 2000 (IISD 2016). They act as a benchmarking method and ensure the application

5 See events titled Our Ocean, Malta 5–6 October 2017 (available at <http://www.ourocean2017.org>) or BlueInvest2018, Brussels, 17 May 2018 (available at <https://blue-invest-2018.b2match.io>).



of desirable (blue) practices in the specific sector. Indeed, we can detect a rise of these in the region because of the expansion of blue economy, most notably for fisheries and aquaculture (IISD 2016) or tourism.⁶ These have responded to policy paradigms and are in interplay with, rather than a substitute for, regulation. For instance, fostering of sustainable aquaculture comes about not only by the reduction of bureaucratic barriers to investment but also by the creation of standards for the water quality or fish feed or by zoning fish farms into areas where they do not endanger freshwater resources.

Whether through public or private regulation, it is legitimate to expect a certain level of regulatory approximation in the Euro-Mediterranean, fostered by the existing trade relations and policy dialogue between the EU and Southern Mediterranean countries. The question remains as to the content of standards and the prevalence of individual regulatory approaches. Here, the EU is likely to play a more assertive role vis-à-vis the Southern Mediterranean countries because of its stronger internal regulatory competence that spills into its external policy (Van Vooren 2012). The EU's legislative framework is stronger than those of the neighbouring states in the areas related to blue economy, and a level of convergence is expected in the regulation, probably ratcheting up the regional baseline.

Despite the generally positive effect that blue economy is likely to have on the regional cooperation, we should note also the competitive potential of blue economy. Amongst the key concepts in blue growth is also innovation. It is understood broadly as encompassing technological breakthroughs, improvement in processes and business models and also non-technological advancements, including in the societies. According to some, innovation is, in fact, the objective and principle underlying the efforts in this regard (Pauli 2010). For the EU, innovation has gradually gained significance. Since roughly the beginning of the 21st century, it has become almost inseparable from science

6 See the project DestiMED, which is developing, harmonising and testing ecotourism standards, http://croatia.panda.org/en/what_we_do/seas/mediterranean_ecotourism_destination___destimed/.



and its external policy (Science and Public Policy 2002; Borrás 2003). This trend has been further strengthened by the launch of the rhetoric of 'science diplomacy' by the EU Commission in 2015 (Penca 2018).

The caveat here is that the emphasis on innovation can act as a catalyst for both closer cooperation and competition. The two elements are not entirely new in the scientific relations amongst states and research collaborations (Flink and Schreiterer 2010). Nevertheless, whilst promoting blue economy as a regional goal, it is reasonable to expect that the countries and firms in the Euro-Mediterranean region are likely to retain certain (especially technology-related) knowledge also to themselves whilst also promoting their achievements. Finally, there is the challenge of harnessing innovation for poverty alleviation (Khavul and Bruton 2013), which is another important aspect of sustainable development in the region.

CONCLUSION

The emergence of the blue economy concept makes some headway into the sustainable development process not so much by inventing any new thinking but by extending the understanding of existing priorities to the seas and oceans. This has enhanced the political commitment for regulatory action and increased funding devoted to the seas. Such focus is particularly important in the Euro-Mediterranean, where the sea represents the material structure for cooperation. Indeed, in comparison with the framing at the global level of governance, the paradigm of blue economy in the Euro-Mediterranean has assumed a particularly strong potential for furthering cooperation and cohesion of the region, apart from sustainable development of individual states. In that respect, the meaning of the policy paradigm of blue growth in the Euro-Mediterranean region has a distinct character. It has demonstrated a pragmatic transformation during its diffusion across regimes and jurisdictions.

This article has explored the potential of blue economy to deliver the indicated promise in the regional context. It has outlined the expected harmonising effect on regulation and



governance as well as the incentivising effect on commercial and research ventures, including capacity building. The scope of ongoing activities that have been briefly outlined in this article is only anticipated to increase in the coming years as the blue economy consolidates in national and regional policies.

The real impact of the paradigm shift will, to a large extent, depend on the source and magnitude of funding invested into the cause. So far, the EU's financial contribution to the implementation of blue economy has been considerably larger than that of the Southern Mediterranean states. This has implied also a disproportional influence of the EU's priorities and approaches. Thus, whilst the blue economy has certainly had an integrative effect on the Euro-Mediterranean region, it is questionable whether it has improved co-ownership in its governance. The EU's ideational, as well as financial role, seems to continue to dominate, impeding the progress towards participation of the states and partners on more equal terms.

Co-ownership in the political process and equal funding are strongly interrelated elements of the desired governance model for the Euro-Mediterranean region. They have also continuously been a challenge, which neither the establishment of the UfM nor the emergence of blue economy was able to entirely overcome. The strong emphasis of blue economy on innovation, apart from sustainability, is likely to add a competitive layer to the cooperation amongst the states. At the same time, the innovation appeal of blue economy is capable of precisely bringing about the twist in the type of actors that are stepping forth. The enterprises with their operational, technology-focused (but less so environmental conservation-oriented) partnerships could take the lead instead of the political rhetoric of governments.

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COURT ADJUDICATIONS ON PRE-ELECTION DISPUTES IN YOUNG DEMOCRACIES: THE IMPACT ON ELECTORAL MANAGEMENT BODY IN NIGERIA, 1999-2011¹

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Over the recent years, the court has increasingly become involved in determining the outcome of electoral competitions. Extant literature is divided on whether the involvement of the court in the electoral process supports or erodes elections with integrity, especially when the judiciary becomes interventionist. Interventionist judiciary, in this sense, means when court decision usurps the powers of EMBs in determining electoral processes and its outcomes. This study establishes that some court decisions over pre-election matters have negative regulations on the conduct of elections in Nigeria, thereby lowering the quality of electoral process. The study adopted a constitutional ethnographic approach, which is the study of the central legal elements of polities using methods that are capable of recovering the lived detail of the politico-legal environment. Data focused on disputed nomination of candidates by parties, the content and substance of 135 pre-elections litigations, and the court decisions in Nigeria. Simple descriptive statistics was used to analysed quantitative data. The study concludes that the manipulation of candidate nomination processes has increased the pre-election litigations and implication for free and fair election.

Key words: Party politics, intraparty disputes, nominations of candidates, electoral management body, court adjudications, Nigeria

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INTRODUCTION

In recent times, the judiciary has become increasingly involved in resolving electoral disputes. The court visibility has been described as the judicialisation of politics, which means either (a) the expansion of the province of the courts or the judge at the expense of the politicians and/or the administrators, that is, the transfer of decision-making rights to the courts, or at least, (b) the spread of judicial decision-making methods outside the judicial province proper (Tate and Vallinder 1995, 13). The judicialisation of politics is recognised in the democratic process, particularly in the consideration of electoral petitions. Today, not a single week passes without a national high court somewhere in the world releasing a major judgment pertaining to the scope of constitutional rights or the limits on legislative or executive powers (Hirschl 2008). It has been shown that within the last decade and a half, “constitutional courts in over twenty-five countries have become the ultimate decision makers in disputes over national election outcome” (Hirschl 2008, 8). The success or failure of the electoral process is mainly predicated on the neutrality and professionalism of the electoral management body (EMB).

In the East Central European countries, like Hungary, the constitutional courts play a limited role in the internal party politics, because, “the parties are autonomous and are not the political arm of some pre-existing social group” (Enyedi and Toka 2007, 14). More importantly, Hungarian citizens were “already incorporated, mobilised, activated and politicised” in the party politics during the 1989 wave of democratisation (Mair 1997, 180). This does not suggest that there were no challenges of splits, mergers, major changes in ideology or internal party fissions among the rank and files of party members, but such were normally based on “policy issues or coalition strategies” which do not require the involvement of courts (Enyedi and Toka 2007, 2). Court intervention in Hungarian elections is always on the conduct of elections, and such interventions come after the National Election Commission (NEC) or the 106 Constituency Election Commissions (CoECs) must have



reviewed the complaints (OSCE/ODIHR Election Observation Mission 2014, 19). OSCE/ODIHR Election Observation Mission (2014, 19) notes that at the 2014 parliamentary elections “over 900 complaints and appeals were dealt with by the NEC. At least 65 per cent were rejected on formal grounds” during the elections. NEC decisions in pre-election matter are final, unless appealed to the Constitutional Court. All complaints must be received and decided within three days. While the Hungarian National Election Commission has power over the conduct of elections, it equally plays a judicial role in pre-election matters, which strengthens its independence and limits the involvement of the constitutional court. This is contrary to other countries like Nigeria, where every issues of intraparty infractions are matters of judicial interpretations and adjudications.

In Europe, almost half of the party laws establish the principle of intraparty development (IPD), which require that “the party structures are to be internally democratic or prescribing the direct involvement of the party members in internal decision-making procedures” (Van Biezen and Piccio 2013, 40). In some countries, IPD is in fact a legal precondition for the foundation and operation of political parties. In Finland, for instance, a political party must guarantee that it respects internal democratic principles and activities in order to be entered in the party register (Sandberg 1997, 101–102). In Czech Republic, political parties that have no democratic status or no democratically elected bodies may not be established and operate. Thus, internal party democracy is sacrosanct, at least in the involvement of the party membership in the selection of the internal organs of representation, such as the party congress or representative assemblies. The legal provisions also grant party members the right to challenge internal party decisions through the existence of arbitration boards to solve internal disputes. Van Biezen and Piccio (2013, 40) note that “no provisions establishing members’ influence in the candidate selection procedures appear throughout the European party laws”. The central party members’ role in the intraparty democracy means that there are limited legal fireworks preceding general elections, and even when there are, such disputes are resolved



at the arbitration boards before elections. It is also important to state that in some countries like United Kingdom, United States, Australia and New Zealand where there are strong liberal traditions of democracy, the governments are reluctant to impose external regulations on political associations. This may not be the same in Spain, Venezuela, Portugal, Nepal, Finland *et cetera* where government regulations related to intraparty nominations, leadership or internal decision-making can also be found (Gauja 2006). Party development in Central and Eastern European countries (CEECs) has been undergoing “a long transition period without showing firm signs of moving into system consolidation (Pridham 1999, 2). Therefore, there are cross-national variation between regions like East-Central Europe and the Balkans, just as it is found among republics from the former USSR, both inviting comparison but also raising doubts about too firm judgements concerning common trends among these countries.

In Africa, party regulations can be found to be ineffective in some countries like Ghana and Sierra Leone where the enforcement agency (Electoral Commission of Ghana and Political Parties Registration Commission in Sierra Leone) has not attempted to enforce the provisions. In the case of Nigeria, intraparty regulation is a provision of the constitution, party elections are compulsory, but the procedures are often disregarded or manipulated resulting to court involvement. The party structures and organisations are built around strong individuals, known as godfather politics in Nigeria. Godfatherism is characterised by “authoritarian political monopoly, defined as the absence of competition /.../ and the elimination or subordination of rivals” (Jackson and Rosberg 1982, 48). Godfathers are both in literal and objective terms owners of political parties in Africa. What differentiates godfather politics from political ‘notables’ in Europe and other older democracies is the godfather’s penchant to operate outside party regulations and rule of law (Omenma, Ibeanu and Onyishi 2014). Instead of the extant rules determining the relationship between godfather and individual party members, it is the personalized rules of the ‘godfather’ that dictates nomination process.



The implication is that the laws governing intraparty relations, selection of party leaders and representatives are displaced by individual wills and preferences. In Nigeria, judiciary has been a major player in electoral democracy since 1999, determining matters of pre-election petitions and post-election disputes. Before 1999, the judiciary in Nigeria has not been considered as a serious intervener in electoral justice. But recent data has shown that courts have significantly intervened in the democratization process. For instance, of the 1777 electoral petitions that followed the 2003 and 2007 general elections, 1250 election petitions arose out of the 2007 general elections alone (INEC 2007; Enweremadu 2011, 8). Election petitions for the 2007 general elections remain the highest in the history of election petitions in Nigeria. Compared to the 2011 general elections, only a total of seven hundred and thirty-one (731) elections petitions were filed at various Election Petition Tribunals across the Federation, including the Federal Capital Territory (FCT), a fall of almost 50% (INEC 2011).

Nwabueze (2007) notes the increasing influence of the judiciary in election matters, he states that both advanced and emerging democratic nations need the essential services of the courts in determining core electoral controversies. The difference is that in European countries the courts hardly determine issues of election rigging or party nomination of candidates, because rigging of election or internal party schism over the candidate nomination is a rare occurrence. On the contrary, the same cannot be said about emerging democratic countries in Africa, the judiciary is deeply involved in pre-election and post-election conflicts. The totality of judicial interventions in the electoral process is what we characterize as electoral justice. International IDEA (2010) defines electoral justice as the means and mechanisms: for ensuring that each action, procedure and decision related to the electoral process is in line with the law (the constitution, statute law, international instruments and treaties, and all other provisions); and for protecting or restoring the enjoyment of electoral rights, giving people who believe their electoral rights have been violated the ability to make a complaint, get a hearing and receive an adjudication (IDEA 2010, 1).



Pre-election matters, as the name implies, are matters which originate or occur before the conduct of an election or poll. The study adopted a constitutional ethnographic approach. Scheppele (2004, 395) defines the approach as: “The study of the central legal elements of polities using methods that are capable of recovering the lived detail of the politico-legal environment”. The present investigation is relevant for some reasons. In most African states practicing presidential system of government, the constitutional and legal frameworks guiding the electoral justice system are tailored after the presidential model (Hirschle 2009). Nigerian electoral justice continues to be portrayed as broadly synonymous with European-style of jurisprudence. Also, it would add new empirical data for Africa electoral justice system, which has been less frequently analysed in comparison to other recently democratized countries in Central Europe and Latin America (Hirschle 2009). Moreover, the data generated would foster comparisons of emerging democracies in Central Europe and Africa for comparative political scholars. African nations, just like some European countries, belong to the countries of emerging democracies where issue of democratic consolidation is a major concern, the article adds up to the body of literature on emerging democracies. The article concludes that electoral management bodies in Africa lack the structural independence from government, powerful or dominant interest groups, which invariably affect the election process and outcomes. And finally, the court by its decisions and pronouncements has become strong player in the democratization process. The concern among citizens is that the court has inherent and obvious weaknesses, such as lack of independence and financial autonomy, and executive powers of appointment of judges, which expose judicial officers to corruptions and manipulation by the executive and influential political actors.

The study adopted the survey design. Data were collected from the election reports by the European Union Election Observation Reports, International Institute for Democracy and Electoral Assistance, International Republican Institute Election Reports, OSCE Office for Democratic Institutions and Human Rights (ODIHR), domestic election observation



reports, publications of the INEC, report of the Electoral Reform Commission, National Judicial Council Fact-Finding Committee on Judiciary Crisis, etc. The 2007 and 2011 general election results were also obtained from the database of the INEC. Quantitative data were analysed using simple descriptive statistics of percentage, graphs and pie charts, while logical arguments, inferences and content analysis were used for processing qualitative data. The article was structured into three parts. Part one provides background information and the debates on the elections and intraparty nominations politics in East Central Europe and Africa. Part two reviews theoretical literature on internal party democracy, election administrations and court roles in electoral process. The third part deals with the intraparty democracy, candidate nomination process and performance. Data on the pre-election litigations and election administration in Nigeria was presented and analysed. The fourth part is the impact of pre-election court decisions on the independence of electoral management bodies in young democracies. The article concludes that a strong and independent EMB is a fundamental element in democratic consolidation process both in the young and old democracies.

CONCEPTUALIZING INTERNAL PARTY DEMOCRACY, ELECTION ADMINISTRATIONS AND COURT ROLES IN ELECTORAL PROCESS

The challenge to democratization process is to identify those conditions or platforms that guarantee the consolidation of the democracy. There are two main features critical in the literature of democratic consolidation: party subscription to internal rule and strong independent Electoral Management Body (EMB). There are persuasive arguments linking political parties to democratic consolidation, and Toka (1997) asserts that parties are desirable to improve the quality of democracy, but not the necessary condition for consolidation of democracy. There are paucity of literature linking intra-party democracy either as a mutual dependence to democratic consolidation or desirable means of improving the quality of democracy. Nonetheless,



most of the literature that investigated Eastern Europe and Latin America countries, had a marginal reference to Africa (Liza 1996; Diamond 1997; Mozaffar and Schedler 2002; Basedau and Stroh 2008). Democratic consolidation is associated with Huntington's alternations in power, because of the mandatory condition of free, fair, open and equally competitions elections. The flaw of Huntington's thesis is the assumption that elites will surrender power willing in accordance with the rules of democracy, thereby ignoring the judicial role(s), which is not the reality. A strong and independent EMB is as a fundamental element in democratic consolidation process.

The International Institute for Democracy and Electoral Assistance (IDEA) (2010) notes that since the mid-1980s, there has been a 'credibility gap' for many electoral institutions which result in "diminished public confidence in the integrity and diligence of their activities" (IDEA 2010, 1). Some scholars argue that the core of the problem is lack of political autonomy and capacity to regulate quality elections (Kawanaka and Asaba 2011), while others consider the placement of electoral management bodies within the state structure as the main problem (Garber 1994; Harris 1997; López-Pintor 2000). Later scholars examine the method of recruitment, is it a governmental approach; a judicial approach; a multi-party approach; or an expert approach (Garber 1994; Harris 1997; IDEA 2010). Whatever approach a nation adopts, the central thesis is the autonomy of EMB, which borders on two concepts – (a) structural independence from government, powerful or dominant interest groups and, (b) fearless independence; that is, not succumbing to governmental, political or partisan influences on their decisions (IDEA 2010). Most literature fails to draw attention to the independence of EMBs from the judicial institution, that is, the strategic role of the courts in determining the outcome of electoral matters. Particularly, the link between the management of elections and the role of courts in promoting or undermining both the structural and normative (regulations) independence of EMBs.

The independence of Commission is measured on the basis of three interrelated dimensions:



- How the legal frameworks – constitution, electoral act and other electoral regulations established boundaries between the Commission and other institutions of the government such as the judiciary and the executive (Hounkpe and Fall 2009, 87).
- Capacity to insulate the operational activities of the EMBs from the informal institutions that are so dominant in the electoral process. Such informal institutions are power blocs or powerful individuals within and outside government that in pursuit of their own agenda try to manipulate the commission to serve their political interest (Jinadu 2010, 126).
- Extent to which EMB is able to appear as neutral to major electoral stakeholders, particularly political parties. This could result from INEC not following its election guidelines and regulations.

Judicial intervention in the management of election petitions and political matters has greatly expanded in the last one decade (Rares 2011; Gloppen 2004; Ugochukwu 2004, 2009). In fact, courts have been involved in a wide range of issues that border on national and international political importance. In the literature, two reasons have been identified for these expansions. First, the realization among the judges that the: “judicial system is a public resource that must be managed so as to ensure that the right of the public to have access to a court to resolve their disputes is not *empty rhetoric* (Rares 2011, 1). Second, is that the judiciary has to ensure that elected representatives are not “choking off the channels of political change to ensure that they will stay in and the out will stay out” (Ely 1980 cited in Gloppen 2004, 4). The argument is quite relevant, particularly in the context of new democracies of Africa, where: “The new leaders of the continent /.../ are systematically obstructing the liberalization of the political system in an effort to remain in power as long as possible /.../ Elections are held, but the outcomes of those elections are already known” (Ellett 2008, 33). The consideration, therefore, is not on the constitutional role of the courts to resolve electoral disputes arising from political contestations, but whether the judiciary is properly placed to



confine themselves to “the application of legal principles” without “engaging in judicial tyranny” (Okoye 2009, 128).

This is referred in the literature as judicial activism, and its critics often allege that ‘power hungry’ judges and ‘imperialist’ courts expropriate the constitution, and can be too assertive or over-involved in moral and political decision making, which has its own consequences (Tushnet 1999; Bork 2002; Kramer 2004). The court-centric approach has its own positive and negative effects. On one hand, it is necessary in a political system where other institutions, particularly the legislature, are very weak. The courts need to provide cover for people. On the other, this portends danger due to the prevalence of corruption, which tends to rub off negatively on the judiciary, particularly if that institution persistently acts in ways that make it appear that it is part of the political elite.

There are two identified elements of evaluating intra-party democracy: the democratic selection of the leadership, which involves the elections of internal positions as well as candidates for general elections in free and fair process. Then, the holding of regular, credible and genuine primary elections within parties, which includes equal and open participation of entire members and groups in a manner that interests are more or less equally represented (Shale and Matlosa 2008). These two elements constitute primary source of conflict within parties. The new theory of distributional conflict has been used to analyse the factors underlying party primaries and intra-party democracy (Ichino and Nathan 2011). This theory presents three core propositions: first, that party leaders allow for primaries in order to avoid the negative reaction of local party members, which results from being denied the opportunity to collect rents from the aspirants competing for the nomination. Second, nominations in safe constituencies that are more likely to translate into electoral victory attract more aspirants and greater spending than those in constituencies that are strongholds of the opposing party. Third, although party leaders could maintain control over the nomination and extract these rents for themselves, the cost on candidates, as well as for the leaders themselves by preventing a primary is very high.



The theory demonstrates that party conflict emanates from how the party hierarchy manages primaries and the value of the potential rent from the candidates. Where the value for rent to the party leaders are high, leaders can induce aspirants to withdraw in favour of a preferred nominee, use administrative procedures to disqualify aspirants competing against a preferred nominee, or simply cancel a primary outright. In these circumstances, party leaders may prefer to use vetting to influence candidate selection. Such situation induces both vertical and horizontal distributional conflicts over rents between party leaders and political aspirants on one hand, and between party leaders and the rank and file of party members on the other. On this basis, the two basic elements of democratic selection of the leadership and holding of regular, credible and genuine primary elections are likely to be lacking in internal party democracy.

The emphasis is on rents, but Ichino and Nathan (2011) gloss over an important factor. That is, the tendency of party leaders to bypass the rank and file of party members ‘to connect directly with voters’. In emerging democracies, party leaders can afford to ignore the interest of party members in as much as leaders connect directly with general voters, by way of monumental electoral fraud. In Nigeria, there are cases of vote-buying, use of thugs and law enforcement agencies to manipulate electoral results. If party leaders can bypass party members to have direct contact with the entire electorate, then it diminishes the prospect of internal party democracy and consolidation of democracy. Drawing from this literature, we examine the characteristics of intraparty democracy, the selection or nomination of party leaders and representatives in elections and the court litigations in Nigeria. While the resort to courts has its positive considerations, it also carries several negative implications, by placing constraints on the time available for INEC to conduct a credible and free and fair elections.



INTRAPARTY DEMOCRACY, CANDIDATE NOMINATION PROCESS AND PERFORMANCE

Between 1999 and 2011 elections, intraparty politics were characterised by intrigues and obvious disregards to the institutional rules and norms. Court interventions provided a modicum of order and civility in the conduct of intraparty politics and reduction of electoral malpractices by party notables or 'god-fathers'. The total of 2,596 post-election petitions adjudicated by the courts over the four election cycles is a fulfilment of the judiciary electoral duty to ensure that the Independent National Electoral Commission (INEC) does not sit over its own case. The judiciary has a central role to play in electoral dispute resolution. Court interventions help to guide the electoral process in line with international best principles of conducting elections. It provides an avenue for electoral grievances to be resolved. The judiciary helps to sustain political rights of the electorate and party members in democratic governance. The alternative to this is to resort to self-help and consequential anarchy. Also, judicial involvements in election matters provides avenues for legal reforms like the time limitation of post-election petitions, which invariably helps to improve the electoral system. The reduction in election petitions from 1,291 after the 2007 elections to 731 petitions in the 2011 elections shows that the judicial resolution of election disputes has contributed to the improvement of election credibility of the 2011 and 2015 general elections in Nigeria.

There were several litigations and court pronouncements. Initially, courts avoided adjudication on intraparty suits, claiming it was an internal affair, but later, the courts assumed jurisdiction on internal party nomination and substitution techniques. The litigations were due to lack of: party coherence, membership inclusiveness, party autonomy, and roots in society (Panebianco 1988; Scarrow 2005; Shale and Matlosa 2008). Since the 1999 elections and a return to democracy, the trend has been that party primaries are pre-determined by party 'leaders' (President or Governors) and/or 'godfathers' over nomination of candidates. *Table 1* presents the four patterns or features



of intra-party democracy among the Nigerian dominant parties; namely: All Nigeria Peoples Party (ANPP), Action Congress of Nigeria (CAN), All Progressive Grand Alliance (APGA) and Peoples Democratic Party (PDP). The table presents specific indicators manifested by the Nigeria parties and the degree in which these parties move away from the standard principles of coherence, inclusiveness, autonomy and roots in society. As indicated, parties in Africa are confronted with limited membership participation in decision-making, over centralisation of decision making, weak internal mechanisms of conflict resolutions, overbearing influence of individuals in the nomination of candidates or leadership succession, and weak links to the society.



Table 1: Indicators of Weak Internal Party Democracy, Nigeria, 1999-2011

Dimension	Verifiable Indicators	Political Party			
		ANPP	ACN	APGA	PDP
Coherence	adherence to rules and procedures	nomination of candidates characterised by selective approach,	imposition of candidates and absence of fairness in party primaries,	Long drawn legal battle over ownership/leadership of the party,	Prevalence of the use of automatic, anointed and consensus candidates,
	tolerance of internal dissidence and freedom of opinion	internal dissidents are not usually accommodated leading to continuous decamping of members, limited opportunity to membership rights.	highly centralised party system, dissenting views against the centralised leadership are not allowed.	highly centralised system under the monopoly of party owners and state governor.	Highly factionalised organisation, membership is defined within factions rather than party.





<p>Inclusiveness</p>	<p>participation of members in candidate nominations</p> <p>willingness to undertake greater citizen outreach and membership strength,</p> <p>gender representation</p>	<p>nominations controlled by party leaders and/or godfathers,</p> <p>uncertain of its membership, membership drawn from North East,</p> <p>very poor record of women representation</p>	<p>Candidates for primary elections are forced to step down for preferred and selected candidate of a clique,</p> <p>Membership strength drawn from south-west states,</p> <p>Weak women representation, about 5% women participation.</p>	<p>Nomination of candidates is the exclusive preserve of party owners and/or the state governor,</p> <p>Lacking in national membership, members are concentrated in south East,</p> <p>Encouraging women elections, about 12% women participation.</p>	<p>nominations controlled by party leaders and/or godfathers,</p> <p>engages on frequent validations of members as a process of manipulating delegates and voters in party primaries,</p> <p>provides for a minimum of 35% of women representation, but less than 6% women are represented.</p>
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<p>Autonomy</p>	<p>free from external and internal individual influence on decision-making,</p> <p>independent and strong bureaucratic organisation</p>	<p>decisions are products of elected party governors and influential individuals, limited channels for participatory internal decision making. party supremacy is replaced with state governors or/and elected party members supremacy.</p>	<p>No evidence of involving party's sub-national leaders and members in decision-making, limited channels for participatory internal decision making,</p> <p>Supremacy of elected governors and party leaders.</p>	<p>Privatisation of party structure,</p> <p>limited channels for participatory internal decision making.</p> <p>No clear role division between party executive and party owners.</p>	<p>Overriding interest of party leaders – elected president, governors, and council chairmen etc., limited channels for participatory internal decision making.</p> <p>Pockets of party godfather influencing decisions at various party structures – ward, local government, zones etc.</p>
<p>Roots in society</p>	<p>strong link to the society</p> <p>responsive governance, citizenship massive participation in election,</p>	<p>no clear defined party programmes, public services poor deliverance, election rigging and violence</p>	<p>defined party programmes, public services delivery very poor, election rigging and violence</p>	<p>no clear defined party programmes, poor deliverance of public services, election rigging and violence</p>	<p>no clear defined party programmes, public services delivery very poor, election rigging and violence</p>

Source: Author's own analysis.



A critical analysis of *Table 1* demonstrates that parties have not attained the expected level of internal democracy to drive the democratisation process in Nigeria. The data strongly indicates that a few influential, powerful and prominent individuals defined as “leaders”, “godfathers”, or “barons” literally control party structures. The parties are associated with one or more strong “leaders”, “godfathers” or party “barons” who determine the rules of the game, selection process and bankroll party activities. The control by strong individuals over party structures and mechanism manifests in the predominant use of ‘automatic tickets’ and ‘anointed candidates’ techniques in 2003, 2007 and 2011 at PDP congresses. These techniques are usually made possible by the indiscriminate use of ‘vetting’ to deny unwanted aspirants the right of participation. In the PDP Constitution, no reference is made to *automatic ticket*, *consensus candidates* and *anointed candidates* as method of selection of candidates (see *Table 2*).

Table 2: Party nomination techniques in Nigeria, 1999-2011

FEATURES	1999	2003	2007	2011
Open Competition	Fairly adopted	Not adopted	Not adopted	Not adopted
Consensus Candidate	Slightly adopted	Not adopted	Not adopted	Not adopted
Automatic Ticket	Not Adopted	Largely adopted	Slightly adopted	Largely adopted
Anointed Candidate	Slightly adopted	Slightly adopted	Largely adopted	Slightly adopted

Source: Omenma (2015, 80).

Table 2 indicates a limited use of the open competition system (*fairly adopted*) for the four election years. Open competition means that the parties rely on their constitutional provisions of nomination of candidates or party leaders through direct election in a congress. Article 6.1 of the 2009 of the PDP (as amended) states that “the party shall be a democratic



organization”; Article 6.2 provides that “the policies and programmes of the Party shall be determined by its membership...”; while Article 16.1 declares that “The National Convention, the Zonal, State, Local Government Area and Ward Congresses shall meet to elect the officers of the party at various levels of the party structure” and Article 12.93 provides that secret ballot shall be the mode of nomination of candidates at convention or congress. The Constitution of ANPP, Article 14.1(4(ix)) of the 2006 (reviewed edition) provides that the Presidential candidate of the party shall be elected at its national convention, while Article 21 states that “All Party posts prescribed or implied by this Constitution shall be filled by democratically conducted elections...”. Despite these provisions, the party nomination of candidates for elections had been more of a closed affair. Open competition, which is the reliance on party’s legal provisions on the nomination of candidates was *fairly adopted* at the primary elections of 1999 (see *Table 2*), showing a relative (high) compliance to party constitution and other extant legal provisions in the pre-election year of 1999.

Box 1: Conceptualizing the Features of Nomination

Open Competition – This process allows for open, transparent, unimpaired conditions of nomination and equal opportunity for all interested and qualified candidates to participate in the nomination process. The process is driven by party’s constitution, Electoral Act and other relevant laws of the country, especially the constitution. Open competition does not only ensure that primaries are organized within the legal frameworks but put mechanisms in place for identifying and preventing irregularities and providing appropriate means for correcting irregularities.

Consensus Candidate – Consensus in Nigeria parlance is the favoured candidate of the party leadership – National Executive Committee, National Working Committee or the Board of Trustee. APGA constitution empowers party NEC to identify a “credible and acceptable person” for nomination; this is a variant of consensus. The PDP, ACN, and ANPP constitutions as well as Nigerian electoral act do not permit a consensus candidate. Consensus candidate is a corrupted term used to manipulate electoral process by the



party leadership. The concept of consensus means agreement, understanding, and collapsing of varying interests to one candidate by various interest groups. The concept of agreement is virtually absent in all the candidates nominated on the basis of leadership consensus.

Anointed Candidate – The anointed candidate has the blessing of party notables, known as godfathers or political investors in Nigeria. Anointed candidate is usually a product of party ‘Big Men’ and party machineries. There are semblances of primaries, but they are merely a fiat accompli, a walk over or a landslide victory. To ensure victory for the anointed candidate, party machineries are bought over, card-carrying members or delegates are bribed or forced to vote for the anointed candidate. No genuine, open and unimpaired competition is allowed. Party rules and regulations guiding primaries and nominations process are grossly violated. Opposition candidates are usually disqualified, schemed out, expelled or suspended depending on the weight of the opposition candidates. Because the process of nominating anointed candidate is undemocratic some dissatisfied or aggrieved members normally decamp to other political parties or withdraw or contest it in court.

Automatic Ticket – This is a tripartite exchange of favour arrangement among the president, the national assembly members and the state governors. This arrangement comes into practice during the candidate’s second term renewal. Such informal arrangements are always propagated and implemented by the National Working Committee and Board of Trustee. Primary elections for the automatic candidates are mere formalities because opposition candidates are not encouraged, while those who dare the policy are expelled or suspended.

Source: Omenma, Ibeanu and Onyishi (2014, 71).

However, subsequent primaries by the parties in 2003, 2007 and 2011 show dominance of *automatic ticket* and *anointed candidate* (see Box 1). This is a gross breach of the party’s constitutional provisions on “democratic organisation”, “membership participation”, “secret ballot system”, and that of the provisions of the Electoral Act. This indicates a significant low compliance rate to extant laws, irrespective of several judicial pronouncements. The low compliant rate (nomination by *automatic ticket*,



anointed candidate and/or consensus candidates) is not exclusive to PDP, other political parties such as ANPP, APGA and ACN are guilty of the offence. The structural composition of party executives and its link to ‘godfather’ institutions inherently stifle intraparty democracy. This supports International IDEA (2007) assertion that party leadership often imposes tight control and patronage over candidates during party primary elections such that, the involvement and participation of party members in the selection process are almost non-existent and where it is allowed, it is accompanied by a high degree of political leadership manipulation. This explains why party “leaders”, “godfather” or “barons” violate the constitutional rights and privileges of party members in the process of nomination of candidates, thereby increasing intraparty conflicts and resulting in frequent court litigations over pre-election matters.

PRE-ELECTION LITIGATIONS AND ELECTION ADMINISTRATION

In Nigeria, there is hardly any election (pre-elections and post-elections) that does not ultimately become one for court adjudication. In the aftermath of the 2015 general elections, 730 number of petitions trailed the polls, while the March 2019 general elections petitioners have filed 766 cases in the tribunals in Nigeria. Independent National Electoral Commission of Nigeria (INEC) has equally observed that: during the run up to the 2007 General Elections, particularly after the primaries, a significant number of litigations from aggrieved party members seeking redress of perceived wrongs and injustices littered the political scene. Although this could be seen as a healthy expression of democratic options, many of the court cases were not resolved until very close to the elections. There were also issues of eligibility, whereby some disqualified candidates went to court to challenge their disqualification, those of the PDP gubernatorial candidacy for Imo State, AC (Action Congress) and ANPP (All Nigeria Peoples’ Party) candidacies for Anambra State and most dramatic of all, the case of the AC Presidential candidate, the then Vice-President, Atiku Abubakar (INEC 2007 cited in Jinadu



2011, 137). Ibrahim and Garuba indicate that court cases instituted against INEC apparently work against INEC electoral duties, while most of the pre-election cases were completely out of INEC's powers to resolve, there were also others that were within its mandate, but the Commission could not exercise its powers due to the myriad of challenges confronting it. Events leading to the 2007 elections exposed the manipulative tendencies of the Commission, as series of court cases completely overwhelmed its legal department, to the point that necessitated the outsourcing of legal services (Ibrahim and Garuba 2008, 55).

Pre-election activities are grouped into two: activities pertaining to the EMB functions; and activities of the political parties. The EMB is concerned with delimitation of electoral district boundaries; determining whether to grant, reject or cancel the registration of political parties; updating of voter registers; and information on the electoral process. Also, some actions of political parties related to their internal democracy – such as approval of their constitutions and internal procedures, selection of party leaders and candidates for office or the expulsion of members and other sanctions are activities that fall within pre-election issues. These issues are subject to court litigation which can impact on the actual conduct of elections.

The jurisdiction of the ordinary courts (the High Court of a State or the Federal High Court) over pre-election matters remains intact and operational by Sections 178(20 and 28(92) of the 1999 Constitution. Also, Section 87, Sub-Section 10 of Electoral Act, 2010 (as amended) provides:

“Notwithstanding the provisions of the Act or rules of a political party, an aspirant who complains that any of the provisions of this Act and the guidelines of a political party has not been complied with in the selection or nomination of a candidate of a political party for election, may apply to the Federal High Court or the High Court of a State, for redress”.

By this, pre-election matters run their full constitutional course, by traversing the three tiers of Court, that is, the High Court, the Court of Appeal, and the Supreme Court in Nigeria.



The 1999 and 2003 pre-election court cases: Since the return of democracy in 1999, the High Courts have been inundated with several pre-election matters that had far reaching implications for INEC conduct of smooth, free and fair elections. The 1999 elections were regulated by Military Decree No. 17 and the election time table did not stipulate any statutory days before the submission of nominations. In fact, party primaries and the general elections were almost running concurrently, leaving little room for pre-election litigations. For instance, the 1999 Presidential election was held on 27 February, 1999, while the Alliance for Democracy (AD) held its presidential primaries in late January 1999, All Peoples Party (APP) held its convention in February 1999 convention, and People Democratic Party (PDP) was the last party to hold its Presidential primaries in Jos, Plateau state (The Carter Center and NDI 1999, 26). Therefore, there were little or no pre-election litigations, because the politicians were suspicious of the departing military rulers, and did not want to offer slim opportunity for the military to continue staying in power.

The situation was different in the 2003 general elections as court cases on party nominations and substitution of candidates were considerable significant, which brought the judiciary into play. In 2003, a few pre-election matters were witnessed (see *Table 3*).



Table 3: Pre-Election cases & their Impact on the Conduct of Elections, 2003

Nature of the case	Parties	Impact on: a) INEC functions; b) quality of elections
Annulment of guidelines on Registration of political parties	Gani Fawehinmi Vs INEC, May 2002 at Federal High Court	<p>INEC functions</p> <ul style="list-style-type: none"> - the time interval, between the Court ruling and holding of elections was too short for proper planning and printing of election materials; - delay in deployment of election materials; <p>Election quality</p> <ul style="list-style-type: none"> - limited opportunity for campaigns among the 26 new parties, - election apathy, - poor mobilisation, - uncertainty of the nominated candidate, multiple nominations from party office etc
Annulment of Section 15 of the 2002 Electoral Act, which stipulates the holding of all elections the same day.	INEC Vs National Assembly, 2002	<p>INEC functions</p> <ul style="list-style-type: none"> - This resulted in difficulties in implementing the electoral process, - The electoral process was based on the assumption that all elections will be held in one day, - Increased the cost on part of INEC, - It was difficult to enforce the rule of no campaigning 24 hours before Election Day, while there were three different election days - Created more logistic problem for INEC, <p>Election quality,</p> <ul style="list-style-type: none"> - Uncertainty of whom to cast vote for, - Increased the propensity of relying on electoral fraud, - Uncertainty whether the election was held or not.
No postponement of Elections	NDP Vs. INEC	<p>INEC functions</p> <ul style="list-style-type: none"> - Affected the deadline set for the end of voter registration, - A distraction for the preparation by INEC <p>Election quality,</p> <ul style="list-style-type: none"> - Created uncertainty on the electorate,
Third Term for Governors	Abubakar Audu Vs. INEC	<p>INEC functions</p> <ul style="list-style-type: none"> - Added additional cost to INEC; - A distraction to INEC preparation for and implementation of election timetable.

Source: EU EOM Nigeria (2003, 13–14); The Guardian, 2003 (INEC, Party Registration & the 2003 Polls).



The analysis of *Table 3*, shows three interrelated impacts of court involvement on the INEC independence: logistical problems; environment of uncertainty; and credibility gap. The logistical problem concerns with the INEC capacity to adhere strictly to the election time table, timely provision and distributions of election material, deployment of *ad hoc* staff, and release of fund among others. The pre-election case arising from the annulment of election guidelines, registration of new political parties and setting aside of Section 15 of the 2002 Electoral Act, by the Supreme Court on 8 November, 2002, restricted and violated INEC powers to register political parties as well as guidelines to conducting of elections. On 4th December, 2002, INEC in compliance with the Supreme Court ruling registered 26 new political parties four months before the 12 April, 2003 general elections. Statistically, these new political parties had only 86 days (between 4 December 2002 and 17 February, 2003) (see *Table 6*) to plan, organise and conduct party primaries in 36 states of the federation, 109 senatorial districts, 360 House of representative constituencies, the national conventions for their presidential candidates and submit same to INEC headquarters. As a result of this, the deadline for the submission of the nomination of candidates was shifted by INEC to 12 March, 2003. In spite of the shift, INEC encountered a series of difficulties with documentation and vetting of candidates' certificates. EU EOM (2003, 25–26) reports that despite the shift:

“/.../ the nomination process remained non-transparent, especially in the scrutiny of the documentation submitted by individual candidates and in its vetting procedures. On 11 April, INEC still had no consolidated list of accepted candidates for all 109 senatorial districts and for the 360 federal constituencies. It remained unclear whether nominations were presented for all seats being contested”.

The gap between the registration of 26 new parties and the actual days of election was too close for INEC to properly organise the series of elections under a free and fair conditions. The registration was in compliance with the Supreme Court rulings that directed INEC to register political parties that have complied



with the constitutional provisions. Initially, the electoral management body refused their registration on the basis of Section 15 of the 2002 Electoral Act the guidelines on Registration of political parties, which the Supreme Court annulled.

The initial impact is the atmospheric culture of uncertainty of when the elections would be held and which parties/individuals would be eligible for the elections. Added to this, was the Federal High Court, Abuja judgement, that set aside Section 15 of the Electoral Act (sequence of elections), which resulted in more difficulties in implementing the electoral process as the rest of the Electoral Act 2002 was based on the assumption that all elections were to take place on the same day. On the average, the long-time (between 7 and 11 months) it took the court to rule on most of the pre-election litigations constrained the powers and functions INEC towards organising quality elections in 2003.

There is the issue of the integrity of the Commission or what is referred to as credibility gap arising from the court pronouncement. The acceptance of multiple nominations from parallel congresses of the same party by INEC, also casts serious doubts over the impartiality of the Commission to organise free and fair elections. Though the court played some positive and significant roles in restoring justice in a few of the cases but the time durations it took the court were serious issues of concern. It is on this basis that International IDEA (2012, 5) argues that although the judiciary has an important role to play in elections and electoral processes, but before the judiciary is given a supervisory or implementing role in transitional elections, an independent assessment should be carried out to determine whether it has the capability and broadly recognised independence necessary to fulfil an electoral function. Decisions on the role of the judiciary in transitional elections should not be made without a credible assessment and consideration of the public's perception of the judiciary and its actual independence.

The 2007 pre-election cases: The election of 2007 was regulated by the 2006 Electoral Act adopted, as well as other INEC regulations and guidelines. The Governorship and the State House of Assembly elections were held on 14 April 2007, while



the Presidential and the National House of Assembly elections were held on 21 April 2007. *Table 4* presents different dimensions of pre-election litigations against INEC over issues of disqualifications and nominations of candidates.

Table 4: Pre-Election Cases & their Impact on the Conduct of Elections, 2007

Nature of the case	Parties	Impact on: a) INEC functions; b) quality of elections
In March 2007, NDP filed an action in the Federal High Court Abuja, for an order to restrain INEC from conducting State & Presidential elections	NDP & others Vs. INEC, 2007	<p>INEC functions;</p> <ul style="list-style-type: none"> - Failure of INEC to comply with the legal provisions for the registration of voters, - the case was still pending in the courts after Presidential election, <p>quality of elections</p> <ul style="list-style-type: none"> - Suspension and confusion over whether elections will be held or not.
On 12 April, the High Court in Anambra State ordered INEC not to prevent Mr Ngige from contesting gubernatorial election	Ngige Vs. INEC, 2007	<p>INEC function</p> <ul style="list-style-type: none"> - Failure for INEC to comply with several court orders to list Mr Ngige's name as gubernatorial candidate of AC, <p>quality of elections</p> <ul style="list-style-type: none"> - suspension and confusion over list of gubernatorial candidates in Anambra, - delay and distraction of electioneering campaign of AC candidate, - INEC usurped the power of the court by refusing to list Mr. Ngige's name as candidate, - it reduced the chances of AC candidate to market the party manifesto, - increased uncertainty among voters concerning the translation of their votes into mandate.



15 March 2007 disqualification of Atiku Abubakar's candidacy under AC by INEC	<i>Action Congress vs. INEC (2007)</i>	INEC functions Affected the focus and pace of INEC in the preparations leading to elections, Re-printing of 65 million presidential election ballot papers within three days, Affected the distribution across the 120,000 polling stations, increased cost on the Commission, Resulted in the shift of election day from 2 April to 9 April, 2007, Logistic difficulties, Election quality petitions had a negative effect on the voters' awareness of the electoral contestants.
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Sources: EU EOM (2007); *Action Congress v. INEC* (2007) 12 NWLR (Pt 1048) 222; Jinadu (2011, 138).

Table 4 indicates two categories of court interventions: judgments delivered very close to the election date, and litigations that terminated after the conduct of elections. Content analysis of *Table 4*, particularly the INEC disqualification of Atiku Abubakar's candidacy under Action Congress (AC) and the subsequent Supreme Court ruling on 16 April 2007 (five days before the April 21 election), shows that INEC had just five days to reprint and distribute 70 million ballot papers. The delay and logistical problem were so enormous that EU EOM (2007, 13) reports that:

“The ballots arrived in Nigeria (from South Africa) the day before the elections and INEC failed to distribute the ballot papers in time to the States and from there to the LGAs, Wards and Polling Stations. This led to serious delays, disruptions and in a number of cases even to the cancellation of the elections in some parts of country”.

The Supreme Court ruling and subsequent reprinting of the ballot papers resulted in a delay of the opening of polling station from 08:00 to 10:00 and the closing of polling from 15:00 to 17:00. In a number of states, such as Abia, Imo, Kaduna,



Ebonyi and Bauchi, polling stations did not open until late afternoon (EU EOM 2007, 35). In many voting stations in some states like Benue, Kaduna, Anambra, Borno, Ondo, Edo, Gombe, Cross River, and Enugu no presidential elections took place because of faulty and late delivery of ballot papers (EU EOM 2007, 36). There were cases of missing of essential polling materials, non-receipt of correct number and type of ballot papers in many polling booths; while the reprinted ballot papers were delivered without serial numbers, candidates' pictures, or names, which were contrary to the law. The delay and the absence of these basic details in the ballot papers resulted in massive disenfranchisement of voters, massive electoral fraud, late and very poor collation process, and the eventual lack of confidence in the results declared by INEC. In addition, INEC had to re-run 111 out of 1 496 elections in 28 states on 28 April, 2007 (EU EOM 2007, 40).

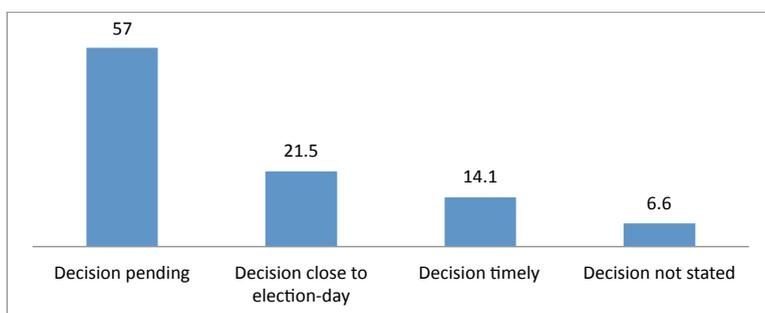
The 2011 pre-election cases: The general elections of 2011 were regulated by the 1999 Constitution and the Electoral Act 2010 (as amended), as well as other INEC regulations and guidelines. Just like other previous election years, party conflicts over nomination of candidates and conduct of congresses remained a knotty issue. Following the conduct of the party primaries, several intraparty disputes were brought before court for interpretations. These issues revolved around disqualification, ex-convicts contesting nominated contrary to the law, parties forwarding names of candidates who did not contest any primaries, exclusion of names after winning the primaries, refusal to conduct party primaries yet parties forwarded fictitious names, illegal nullification of primaries results, wrongful publication of names, wrongful imposition of names, and forced letters of withdrawal (EU EOM 2011, 40). *Table 5* (see appendix A): presents 135 pre-election litigations, the prayers of the petitioners, the decisions of the court and the time frame to conclude court cases.

In *Table 5*, the time frame is the time between the filing of the case (High Court and Appeal Court) and disposal of 135 pre-election litigations. The time frame is categorised into four: (a) those petitions that the Court did not take definite decision(s)/ruling(s) before the actual elections were conducted are labelled



as DP – Decision Pending; (b) petitions whereby Court decisions were taken, but such decisions came too close to the election days, are labelled DVC – Decision Very Close to Election-day; (c) court decision(s) that came timely, that is, some days or months well ahead of election day are designated as DOT – decision On Time; and (d) where court decisions were not known on a particular petition, are labelled DNS – Decision Not Stated. *Figure 1* shows a descriptive analysis of court decisions with respective nearness to election dates.

Figure 1: Nature of Pre-Elections Court Decisions in 2011



Source: Author's own analysis.

Figure 1 demonstrates the percentage distributions of the court decisions. It shows that the majority (57%) of the litigations were pending (DP) before various courts in Nigeria, that is, not concluded before the actual election day. Such cases created an atmosphere of electoral uncertainty on both the electorate and contestants, particularly on the choice to make and it equally led to electoral apathy. The candidates with pending court cases usually have a low spirit attitude in campaigning and soliciting for votes, especially when candidates (with pending court cases) have reflected on the court decisions on *Ugwu v. Araraume*, and *Amaechi v. INEC* cases, where the winner of election was substituted with a candidate that never participated in the elections. A decision invalidating an election does not constitute the court an arbiter of who should govern; the choice is simply referred back to the electorate in a fresh election. Again 21.6% of court



decisions were taken when the election-day was very close by. This resulted in the re-printing of over 70 million election materials, and the subsequent logistical problems, delay and omission of candidates' particulars. Furthermore, litigations that were timely disposed of were 19 in number, suggesting 14.1%. This means that a negligible number (19) of pre-election litigations did not interfere significantly with INEC election activities. Finally, court decisions were not stated in 6.6% (9) of the pre-election cases.

A reading of *Tables 3, 4 and 5* (data on pre-elections litigations for 2003, 2007 and 2010) and *Table 6* (elections time-tables) brings to the fore the nature of pressure these litigations had on the Commission. *Table 5* presents submission of nomination deadlines as stipulated by Electoral Acts of 2002, 2006 and 2010.

Table 6: Deadlines for Submission of nomination by political parties to INEC

Legal Provision	Election Year	Deadline of Submission	Last Date of Submission	Election Dates
Electoral Act, 2002, Section 21(1)	2003	60 days before elections	Thursday, 17 th February, 2003	12 April 2003
Electoral Act, 2006, Section 32(1)	2007	120 days before elections	Friday, 15 December 2006	14 April, 2007
Electoral Act, 2010, section 31 (1)	2011	60 days before elections	Tuesday, 1 February 2011	2 April 2011 (later shifted to 9 April 9 2011)

Sources: Electoral Acts, 2002, 2006 and 2010 (as amended); EU EOM (2003, 2007 and 2011).

The implication of *Table 6* is that whatever decisions of the court on the pre-election petitions, notably those petitions that challenged nominations, disqualifications or substitutions of candidates, will certainly interfere in INEC's planning and



conducting of elections, in as much as cases lingered until two months after the deadline for submission of the nomination list.

Over 400 pre-election litigations were determined by the court for the 2011 elections, and it was extremely difficult for INEC to adhere strictly to Section 31(1) and (3) of Electoral Act of 2010 (as amended). *Table 6* indicates that the last day for party submissions of nomination lists was Tuesday, 1 February, 2011, while *Table 5* shows that out of the 135 pre-election litigations in 2011, a large proportion of the cases were filed in court after 1 February, 2011 (submission deadline), while a negligible number of the cases were filed before January 2011. In other words, the courts had just 43 working days to adjudicate on the vast majority of the cases before the actual election on 2 April 2011.

It is this gap or delay in pre-election litigations that encourage political parties and their leaders to grossly infringe on the extant law, with strong feelings or belief that either the torturous court process frustrates the candidate to abandon the case or the candidates are persuaded to abandon their petitions. Court interventions are expected to guide the electoral process in line with international best principles of conducting elections. On the contrary, the interventions of the court, particularly with the interpretation of relevant laws on the conduct of elections, created undue delays on election day activities; problems of enforcing electoral guidelines and regulations by the Commission which reduced the level of public confidence in the INEC. This also interfered with procurement of election materials and deployment for elections, which had caused shifts in the election time-table and staggered elections in some state, as well as created an atmosphere of uncertainty in the electoral process.

Events leading to the 2007 elections exposed INEC's weakness and capacity, as a series of court cases completely overwhelmed its legal department to the point that the Commission outsourced legal services (Bawa 2013). This diminished the Commission's capacity to contend with its task, including the monitoring and supervision of political parties during the preparation for elections. The Electoral Act 2010 (as amended), does not provide specific procedures for the submission and



adjudication of *petitions prior to the elections*. Such cases are treated as any other cases in ordinary civil litigation (fraught with delays) which impinges on the preparation and conduct of elections, especially when most pre-election cases dragged on even after the actual conduct of elections.

Overall, the roles of the courts in pre-election cases have not been transparent, rather, most often, courts demonstrated a degree of partiality in interpreting the constitutional and legal framework with regard to intraparty disputes. Nevertheless, lack of deadlines for filing, considering and determining complaints prior to polling trailed the results of the primaries, producing a large number of judgments delivered by the courts only a few days before the polls or even after. The high number of pending petitions affected the voters' awareness of the electorate on who are contestants, while some decisions disrupted the Independent National Electoral Commission, particularly the printing of election day materials.

IMPACT OF PRE-ELECTION COURT DECISIONS ON THE INDEPENDENCE OF INEC

Cumulatively, the sheer number of both pre-election and post-election petitions filed in the normal courts and tribunals for the election cycles of 1999, 2003, 2007 and 2011 was overwhelming in number. Their impacts on the INEC independence, particularly on the implementation of elections timetables and schedules of activities have been enormous. First is the case of governors of five states: Adamawa, Bayelsa, Cross River, Kogi and Sokoto over tenure elongations. The case was a typical example of court intervention that impinged on the Commission's election timetable, schedule of activities and planning. The Commission issued a notice of election on 7 September, 2010 for the governorship of states (INEC Report 2011, 26). The five Governors subsequently sought declarations that their tenure in office would expire four years from the time they were sworn in after the re-run elections, rather than from the date they were first sworn in, in May 2007. Judgment was delivered in the consolidated suits at the Federal High Court, on the 23 February 2011,



in their favour, which was reaffirmed by the Court of Appeal on the 15th of April 2011. This was the situation as at the time when the April 2011 gubernatorial elections were to be held, and as a result, the Commission had to stand down the proposed elections in the affected five states. The Commission in compliance with the Court rulings issued another Timetable and Schedule of Activities for the conduct of elections in the affected five states. The case was disposed by the Supreme Court on the 27 of January 2012, (that is, 10 months after the April 2011 elections). The politicians have used the court process not only to interfere on the INEC's duty and responsibility, but to entrenched a staggered electoral process in Nigeria, which is unknown to the Constitution. Studies have shown that independent and professional EMBs that are free from institutional control offer a much greater chance of successful elections (Hartlyn et al. 2008). The institutional autonomy of EMBs has also been positively linked with successful democratisation (Gazibo 2006). This lends weight to the argument that a permanent, independent EMB not only plays an important role in securing free and fair elections, but also improves the prospects of democratic consolidation.

Second, the disruption of the INEC election time table had a consequential effect on the operational cost of the Commission. Two sets of general elections were conducted in the same year. This created additional operational cost for INEC, which is compelled to recruit another set of *ad hoc* staff such as polling unit officers, supervisory presiding officers, collation officers, returning officers as well as payment for security men and procurement of vehicles and other materials. The cost breakdown shows a total N359 158 000² (US\$2 287 630. 57) additional cost that was not budgeted (INEC 2011 Election Report, 124–125; INEC 2015, 7, 25, 37, 89 and 134). Also, an estimated total cost of the three hundred and fifty-nine million, one hundred and fifty-eight thousand (N359 158 000 or US\$2 287 630. 57) paid for the INEC *ad hoc* staff at the rescheduled gubernatorial elections

2 The conversion rate was at N157 to US\$1 as at 2015.



in the five states (INEC 2011 Election Report, 124–125; INEC 2015, 7, 25, 37, 89 and 134). This was in addition to the sum of twenty million, four hundred and thirty-four thousand naira (₦20 434 000 or US\$13 0152. 87) only for the security personnel allowances (INEC 2011 Election Report, 124–125). The personnel cost (INEC *ad hoc* staff and security) shows an estimate of three hundred and seventy-nine million, five hundred and ninety-two thousand naira (₦379 592 000 or UD\$2 417 783. 44). This excludes the cost of supervisory presiding officers (SPOs), the cost of logistics management, such as procurement of materials and equipment, distribution of election materials, deployment of temporary storage facilities and provision of transport facilities for the elections. Considering challenges, which the Commission faced before appropriation and release of funds that always results in cap-in-hand pleading for fund by INEC. The implication is that the Commission depends on the legislature and executive for funds, the Commission’s electoral autonomy would most likely be crippled. INEC chairman, Professor Attahiru Jega, lamented thus:

“/.../ we met a budget on ground and you are aware that the 2010 appropriations were reduced. That budget cut also affected us because while we were requesting for 74 billion naira for the direct data capture machines and other logistics our capital budget was reduced by 8 billion. That money was meant to address some of the infrastructural decay in our state and local government offices which are in a state of disrepair...we will be making a representation to the government on this so that we will reduce to the barest minimum the dependence of our staff on governors and local government chairmen for some logistics because we *found out that some of them (INEC Staff) make themselves available to be used by going to the governors and local government chairmen to request one favour or the other*” (Daily Trust, 31 August, 2010).

The funding problems identified, no doubt impinged on the Commission’s logistic management as a direct consequence of interventionist court. The administration of elections during a transition is fraught with challenges, including administrative efficiency, political neutrality and public accountability (Mozaffar and Schedler 2002, 7–10).



Third, the Supreme Court ruling on *Amaechi's case* blurred the formal rule (constitution) that defines the function and role of the INEC. INEC independence depends on the extent to which the Commission effectively discharges and enforces its constitutional functions without interference or usurpation. In the celebrated case of *Amaechi v. INEC (2008)*, the Supreme Court rules that:

“In the eye of the law Amaechi is the Governorship candidate of the PDP that won the election. The people voted for the party, which has the right to field a candidate, not the individual. Based on this, the court ruled that Amaechi having been validly elected in primaries and nominated as the PDP’s Governorship Candidate in Rivers State, remained in the eye of the Law, the candidate who contested the governorship election”.

That simple logic led Amaechi directly to the Government House of Rivers State, as the Governor without physically contesting the gubernatorial election. The Supreme Court awarded Amaechi what he never asked for, the ruling equally usurped the constitutional power of the Commission over the right to declare winners or losers of election. Section 27, Sub-section 2 of the 2010 Electoral Act (as amended) on the announcement of election results provides that “the Returning Officer shall announce the result and declare the winner of the election” at the various designated collation centres. The powers of INEC to conduct elections and declare the results are derived from the constitution not from the leniency or generosity of any other arm of the government of Nigeria (Third Schedule, Part I, section 15(a) of the 1999 Constitution of the Federal Republic of Nigeria; Section 27 (1–2) of the 2010 Electoral Act of Nigeria). It is not within the constitutional boundary of the Court to declare winners or losers of election results. Nwabueze (2007, 53) argues that “a decision invalidating an election does not constitute the court an arbiter of who should govern; the choice is simply referred back to the electorate in a fresh election”. Courts do not make laws but interpret them. The delay in court (particularly at the Court of Appeal) was caused by the Judiciary not INEC. On two occasions, the Court of Appeal refused to assume



jurisdiction but was repeatedly compelled by the Supreme Court to look into the case. Therefore, the failure of the judiciary to expeditiously dispense the case in record time should not be used by the same court to interfere on the powers and rights of the Commission.

Overall, the data collected and analysed show greater involvement of the judiciary in the Commission's electoral powers and functions, including the implementation of election time tables, the funding of INEC operations, and the usurpation of the right to announce results of elections among others. The Commission, despite being confronted with thousands of pre- and post-election litigations, found it increasingly difficult to maintain its independence when most of the decisions of the judiciary tend to control the Commission. Some of the decisions, according to Bawa (2013), are made "at the very late hours", thereby disrupting the planning and programmes of the Commission. Therefore, instead of the Commission being regulated by its election timetable, the Commission becomes increasingly dependent on "whatever is the directive" of the Court. More importantly, when the judiciary is also a product of the ruling political group, those who appoint judges are also expected to influence them to serve their interest. International IDEA (2012, 11) argues that experience from a number of transitions, including the case study of Indonesia, points to the challenges posed by changes in the legal framework in the run-up to elections. If there is a stable legal framework before the elections take place, this will make it easier for the EMB to prepare and administer a credible process.

CONCLUSION

At its core, the central starting observation of our contribution is that little is known about the judicial role in electoral democracy in Africa. The judiciary, over the years, consider themselves as an integral component of the executive, and often acts to protect incumbent; specific sectional and party interests. The low level of intraparty democracy among parties is accepted because the interests of the party 'godfathers' and notables are protected



by institutions that are expected to regulate party organisational behaviours. Available data shows this as the reasons why parties are involved in unending conflicts over nomination of candidates, and court interventions have not been able to resolve them. Therefore, parties can afford to get into an election with unresolved disputes over who emerged the winner of party primaries. This has its obvious implications for the management of the electoral process, such as uncertainty of rules, uncertainty of candidates standing for elections and, who eventually emerges the winner, because courts have usurped power of announcing election outcomes.

Much as courts are criticized for acting as an instrument in the hand of the executives and powerful individuals, they also, embody mechanisms to deal with the problems in democratic development. Some of the court rulings have tempered the excessiveness powers of the executive that undermines the progress of liberal democracy. For instance, when the electoral Commission in Nigeria engaged in unnecessary disqualification of party candidates, court pronouncements restored the electoral rights of the candidates. Also, Kenya made history as the first African country to nullify a presidential election. The decision by the Supreme Court has been described by many as a “landmark ruling”. It is globally rare that a perceived victory of a president-elect has been nullified by the courts. It is only in Panama that the court successfully annulled the presidential election in 1989 (Hernández-Huerta, 2015).

A fair share of literature reviewed in Central and East Europe suggests that most parties have adopted a wide range of internal organisational reforms, which at least formally, give members more say over outcomes. Direct democracy is now used in a wide range of intraparty decision making procedures, such as candidate selection, leadership selection and policy positions formulation. Even though oligarchic tendencies inside the CEE parties still exist, but there is “a remarkable increase in their IPD-level” (Obert and Von dem Berge 2015, 19), because of an internal arbitration mechanism that does not permit courts involvement. On the contrary, parties in Nigeria, despite the fact that they have existed for close to two decades within the general



conditions of a democratic system, they have systematically displayed lower levels of intraparty democracy. This is because, party organs, just like the judiciary and Electoral Commission, are appendages of the executive power. Moreover, while there are “declining importance of cleavage politics” and oligarchic tendencies in parties in Central and Eastern Europe (Scarrow and Gezgor 2010), the same cannot be attributed to parties in Africa because of resilience party “leaders”, “godfather”, “notables” and clientelism.

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INTERCULTURAL ASPECTS OF CUSTOMER CARE IN SMALL- AND MEDIUM-SIZED COMPANIES IN THE EURO-MEDITERRANEAN AREA

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The objective of this paper is to investigate the intercultural implications of taking care of foreign customers. In particular, the aim of the study are twofold:

1. Which is the influence of foreign market culture on customer relationship in terms of product features and after-sales services?
2. How do Italian SMEs perceive the national culture of their foreign customers?

After a theoretical review about the studies about culture and the intercultural aspects of customer relationship management, the study illustrates how five firms located in the Euro-Mediterranean area and operating in the global market manage their foreign customers and which are the managerial implications. Results show that each firm changes the way to manage their foreign markets according to the culture of origin of the customers. Regarding the perception of the national culture, it emerges that the interviewees are, in general, aligned with the Hofstede framework. The study proposes also a conceptual advancement in terms of dimensions to analyse the national culture.

Key words: Internationalisation, culture, customer relationship management, product features, after-sales services



INTRODUCTION

Companies facing the process of globalisation (Codignola 2012) must confront varying environmental context. Each of them demands a specific approach and code of interaction (Drogendijka and Slangenb 2006). The theme of cross-cultural management is extremely important in the global market as it describes both the behaviour of individuals hailing from differing cultural backgrounds within the internal context of a company and cultural differences that exist between organisations from dissimilar cultural contexts.

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Creating a winning customer strategy is to deliver a customer value proposition based on a thorough understanding of the customer's culture, value and needs. Customer relationships are strategic assets, and the customer service centre must be made into a strategic part of the organisation and of the customer relationship management system. Nevertheless, most companies see customer service centres as cost centres (Wursten et al. 2009).

This study aims to answer to the following research questions:

1. Which is the influence of foreign market culture on customer relationship in terms of product features and after-sales services?
2. How do Italian SMEs perceive the national culture of their foreign customers?

This paper examines the intercultural aspects linked to customer management, analysing five case studies of firms located in the Euro-Mediterranean area that have to deal with customers from different foreign countries.

The analysis was performed by interviewing the entrepreneur, the sales manager and the export manager. The analysis will show that firms change the way to manage their foreign markets according to the culture of origin of the customers. This article begins with a section presenting the theoretical background about studies on culture and customer relationship management in a cross-cultural perspective. The subsequent section describes the research method and design. Next, the obtained findings are shown. Finally, a concluding section with the



discussion of the results, the theoretical and managerial implications and future research is presented.

THEORETICAL BACKGROUND

The Definition of Culture and the Role of the Context

To take an in-depth look at the effect of the culture on commercial interaction with the global markets, one must analyse and observe the evolution of theories on culture. The literature doesn't suggest a unique definition of culture as many definitions have been formulated (Linton 1945; Goodenough 1971; Child and Kieser 1977). However, the complexity of the cultural dimension is accompanied by its progressive relevance in the internationalisation process analysis of enterprises, with particular reference to those business decisions that are most influenced by the social context. Hence the need, in a theoretical perspective, conceptualising the dimensions of culture to define useful reference models in business decisions. The main theories that have tried to define the national culture as objective as possible can be traced to Hofstede, Schwartz and Globe.

Hofstede's framework is the most used and cited in international marketing research. He defined culture as 'a system of shared values, which distinguishes members of one group or category of people from those of another group' (Hofstede et al. 2010, 2001, 2011). Therefore, culture is intrinsic in the mind of individuals, and it can be measured. The study was conducted using as a reference population of IBM employees. Between 1967 and 1973, he administered a questionnaire in 72 countries and in 20 different languages. Hofstede identified five dimensions that are inherent in cultures: power distance (social inequality), individualism (relationship on individuals in a group), masculinity (implications of gender), uncertainty avoidance (handling of uncertainty) and long-term orientation and indulgence (enjoying life and happiness).³

3 For the characteristics of each dimension in managerial terms, see Brijball Parumasur (2012).



Another model for the analysis of cultural differences is the Schwartz model (2008). The author defined culture as 'something that doesn't reside in the mind and in the action of individuals, but rather it is an external variable by which individuals, for the fact of living in a specific social context, are conditioned'. He identified 10 dimensions as determinants of cultural differences: power, personal success, hedonism, stimulation, self-direction, universalism, benevolence, tradition, conformity and security.

Finally, the Globe model (Global Leadership and Organizational Behaviour Effectiveness) (2004), in which from 1994 to 1997 were surveyed managers of companies considering several social and psychological variables such as attitudes, values and work objectives. The cultural dimensions identified in the study are performance orientation, uncertainty avoidance, in-group collectivism, power distance, gender egalitarianism, human orientation, institutional collectivism, future orientation and assertiveness.

There are other contributions of analysis of culture as those proposed by Hall (1989) and Trompenaars and Hampden-Turner (1997), but they are quite far from a structured process of measurement. Some further frameworks about national culture can be attributed to Schein (1985), Steenkamp (2001), Adler (1980), Kluckhohn and Strodtbeck (1961) and Schwarz (2014). At the most general level, a working definition that is useful in considering the effects of culture on global management of practice is 'culture is a set of knowledge structures consisting of systems of values, norms, attitudes, beliefs, and behavioural meanings that are shared by members of a social group (society) and that are learned from previous generations' (Alon et al. 2017). Every culture is therefore a state of consciousness that shapes the way we perceive and decode the reality that surrounds us and that determines our 'way of life'.

A relevant factor that affects culture and the interaction between people of different culture is the context (Hall 1989), which is the set of situational factors involved in the various communicative exchanges. The greater is the role of context in a culture, the greater is the difficulty for negotiators of other



cultures in the transmission or acknowledge a message. The distinction is therefore between high-context cultures and low-context cultures.

In high-context cultures (such as China, Latin America, Southern Europe), the external environment, the situation and the nonverbal behaviours are fundamental. Relationships are protracted, personal ties are very strong and you will invest significant amounts of time and energy in creating a relationship of agreement and trust with the other part. In contrast, in low-context cultures (United States, Northern Europe), the emphasis is on the substance, on what is said and on facts. The environment, the situation and the nonverbal behaviours are secondary; rather, it is appreciated a direct style in which interpersonal relationships are of relatively short duration and the personal involvement hasn't a great importance. The research of Hall and other scholars confirms what international business people have learned from practical experience: differences in cross-cultural communication create invisible barriers to international trade.

Customer Relationship Management in a Cross-Cultural Perspective

The purpose of the marketing of relationships (Ferdous et al. 2016; Viio and Grönroos 2016) is to identify, consolidate, maintain, enhance and, where necessary, interrupt relationships with customers to achieve the objectives related to economic interests and other variables of all parties (Grönroos 2000). In relationship marketing, the purchase choice depends to a certain extent by mutual influences in the interaction, for which there is an interdependence between the parties.

Grönroos (1996) points out that the tactical elements of a strategy based on the relationship are to have a direct contact with customers and other business partners, to build a database containing the necessary information about customers and to develop a system of customer-oriented services. It emerges that the concept of trust, commitment and attraction has an important role (Usunier and Lee 2013; Schurr and Ozanne 1985). Trust can be defined as the expectation that the other part, in



a given situation, will behave in a predictable manner (Schurr and Ozanne 1985). Commitment means that one of the parties feels motivated to maintain relations with each other as the enduring desire to maintain a valuable relationship. Attraction is finally something that makes a supplier attractive for a particular customer or vice versa. Attraction may be based on financial, technological or social factors.

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It is still unclear what the relationship is amongst trust, commitment and attraction on the one hand and the development of commercial relations on the other. However, the existence of trust and engagement with the partner may have a greater weight for customers who attribute greater value to the relationship itself.⁴

Culture, or rather the cultural transferability, plays an important role in the internationalisation of products and services as some markets may be indifferent to certain products and services or to prefer others (De Mooij and Hofstede 2011; Tam et al. 2016; Sharma et al. 2016). Some of the variable that a company has to consider to reduce the risk of failure in a foreign market are differences in product use and expected benefits; product and brand perception; preferences in style, colour and design, just to name a few. Therefore, the message is standardise as much as possible and customise as much as needed. International marketing strategy (Theodosiou and Leonidou 2003) will lead to superior performance only to the extent that it properly matches the unique set of circumstances that the firm is confronted by within a particular overseas market.

An assessment of the potential for adaptation and standardisation at different levels of a product attributes will be useful because consumers from different countries may assign different weights to similar product attributes. The following are the three layers of product attributes that lend themselves more or less to standardisation:

4 Numerous scholars have argued that commitment built on trust is essential for effective marketing relationships, and indeed, relationships cannot be created or managed without trust (Caldwell and Clapham 2003; Moorman et al. 1993; Morgan and Hunt 1994).



- Physical attributes (size, weight, colour, etc.). The standardisation of these attributes affords greatest potential for cost benefits since economics of scale are made principally at the manufacturing stage.
- Service attributes (maintenance, after-sales service, spare parts availability, etc). These attributes are fairly difficult to standardise as circumstances for service delivery differ widely from one country to another. It should be emphasised that most services are performed in direct relation to local customers. Service attributes are most dependent on culture.
- Symbolic attributes

The influence of these factors may require a company to either adapt or standardise its offering. Regarding *physical attributes*, the dilemma between standardisation and adaptation depends on the type of markets, the type of product and compatibility with the firms' strategic directions. Furthermore, there are more opportunities for standardisation across developed countries as more of the market factors will be similar. In the case of emerging economies, the opportunities for standardisation are reduced. There is likely to be a range of necessary product modifications, including the use of cheaper components, simpler packaging, fewer product features, all of which enable the product to be sold at lower price. Compulsory adaptation of physical attributes is often related to national regulations and standards such as industrial standard for supply of electricity, safety standards and hygiene regulations.

However, obligatory adaptations are often minor in comparison with the required adaptations to differences in consumer behaviour and in the national marketing environment. According to Levitt (1983), certain aspects or way of life would tend towards uniformity with differences in cultural preferences, national taste, standards and the institutional business environment being remnants of the past (i.e., Chinese food, country music and pizza). Concerning *service attributes*, they include repair and maintenance, after-sales service, installation, instructor manuals, waiting time, delivery dates, guarantees, spare parts availability and return of goods. Service requirements



differ widely from country to country because they are related to environmental factors such as level of technical expertise, level of labour costs, level of literacy, climatic differences and different ways of performing a seemingly identical service. In other words, the concept of service quality is difficult to define since in each culture exists a different conception of service quality (Furrer et al. 2000; Tsoukatos 2011).

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The economy, however, can play an important role in the service quality. In developing countries, for example, the customer is willing to accept a lower level of service as it cannot afford higher standards. The same way when a country is in a serious financial crisis, the population eliminates all the unnecessary and take its decisions almost exclusively based on price rather than quality and other characteristics such as resistance (Linan 1996). From a customer perspective, differences have been found in service expectations, service evaluations and service reactions.

Several studies have shown consistency in the dimensions that are important to service quality and the relationship between service quality and satisfaction (Usunier and Lee 2013; Yap and Kew 2007; Gautam 2015). In addition, studies have reported relevant differences in the relationships and value placed on different elements of the product or service (Pepur et al. 2013). The SERVQUAL is the most used framework to assess service quality as it measures the gap between expectations and evaluations of performance, which influences satisfaction. It includes five dimensions: tangibility, reliability, assurance, responsiveness and empathy. Service perceptions and evaluations also appear to differ across countries (Sharma 2019). *Symbolically*, the social meaning of many product is more important than their functional utility or at least as important. In terms of product standardisation/adaptation, two different issues should be addressed: the relationship between symbolic attitudes and national product images and the divergent symbolic interpretations. Herbig (2013) thus suggests being flexible in the offer to adapt the service to local markets, to offer assistance, to check before you enter a market, to check the existing restrictions and to take care of foreign customers.



METHODOLOGY

This study aims to answer to the following research questions:

1. Which is the influence of foreign market culture on customer relationship in terms of product features and after-sales services?
2. How do Italian SMEs perceive the national culture of their foreign customers?

We adopted an intercultural research (Adler 1983; Drenth and Wilpert 1980; Earley and Singh 1995; Peterson 2001; Van de Vijver and Leung 1997) as it seeks to understand the interaction between culturally different individuals in organisational settings. In fact, the intercultural research considers the culture of both parties in the interaction as well as contextual explanations for observed similarities and differences. To answer the research questions, we adopted a multiple-case study analysis (Tsang 2013). 'Multiple cases should be considered like multiple experiments (or multiple surveys).'

In accordance with the strategy of multiple-case research, in this study, we decided to analyse five cases of international firms located in Italy (in the province of Pesaro and Urbino) and that are making business in the Euro-Mediterranean area. The survey has been conducted through a semi-structured interview with the entrepreneur or the sales manager of the companies. The interviewer had a track that illustrates the issues faced during the interview. He was free to set the conversation at his pleasure within a certain subject and ask for clarifications and explanations when it seemed to be necessary (Molteni and Troilo 2007). Once the interviews were conducted, recorded and transcribed, they were analysed and interpreted to present the results. The presentation of results was performed according to a narrative perspective or through the story of episodes, and the description of cases often uses the same words of the respondents not to alter the material collected but to transmit the immediacy of the situations studied (Yin 2010; Eisenhardt and Graebner 2007).

The aspects investigated in the interview are



- the general profile of the firm in terms of activity, number of employees, why it became international, how it managed the process of internationalisation, and the intercultural aspect of the product in terms of features of the product that vary according to the culture of the foreign customer;
- the relationship with the foreign customers in terms of how the after-sales service is managed, who is the responsible of this activity and how the firm manages complaints and defects and
- the perception of the national culture of the main foreign market of the firm according to the Hofstede national culture model (as it is the most adopted in literature and for performing empirical studies).

The cases reported concern five companies not similar in terms of number of employees, turnover or activity, but they represent interesting cases of the international market approach of SMEs, and our purpose is to focus on the intercultural aspect of customer care indeed. In particular, we are talking about a furniture manufacturing company, a company that produces heat exchangers for domestic boilers, a firm that produces and sells equipment for agricultural irrigation, a company that produces artistic wooden objects and a goldsmith laboratory.

It is interesting to note that amongst the foreign markets, China is served by three firms, whilst Russia, Germany and United Arab Emirates are markets served by two firms. Other foreign markets involved are Turkey, Iran, France, Germany and Australia. The report of the interviews has been confirmed by the respondents, and the cases were analysed by the authors, thus increasing the internal validity of the multiple case study.

RESULTS

The findings were analysed following the research questions: firstly, showing the profile of the firms and their process of internationalisation; secondly, the product features adapted to foreign cultures and intercultural aspects of customer relationship



and thirdly, the perception of the foreign culture according to SMEs adopting the Hofstede dimensions.

The Profile of the Firms

The entrepreneur of the furniture manufacturing firm reports that 90% of the furniture manufacturing company's turnover is generated by the Russian market. The firm decided to offer its products to this market because the entrepreneur understood that whilst a large part of the consumer landscape skewed towards the industrialised modern furniture with a simple image, in some other markets, there was a strong demand for the classic traditional product with high-quality features. Since the company produces furniture exclusively of wood, the manufacturing and the quality of the material have an added value that was going to be lost in the domestic market.

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The sales manager of the firm that produces heat exchangers for domestic boilers reported that 70% of the turnover is generated by export activity, of which 50% is from Turkey and the rest between Iran and China. These are the most important markets because Europe is a saturated one, a market where everyone has a boiler and then what you sell is the replacement and because there are policies to reduce emissions to protect the environment and that encourage customers to substitute them. However, Turkey, Iran and China are countries that are becoming very rich, and the middle class is growing having purchasing power.

In the last years, the Chinese government has allocated a considerable amount of money aimed at reducing emissions because more than one million Chinese a year die from pollution problems. The local producer which creates these low-emission systems, or components with low emissions, receives an incentive from the government. It thus represents a new market, and all the major European groups that are going there create the factory in China to produce and to sell to Chinese.

The export manager of the firm producing equipment for agricultural irrigation referred that 75%–80% of the turnover comes from the foreign markets—France, Germany, Russia and Australia. The firm that produces artistic wooden objects is



specialised in the production of original wooden objects, especially to decorate children's rooms.

The entrepreneur reported that 30% of the turnover comes from the foreign markets—12% UAE, 9% Germany, 4% Spain and the remaining 5% from other countries, especially Canada, the United Kingdom, Iran, South Africa and Kuwait. The firm decided to start the international process for three main reasons: first, to find ways to exploit its production capacity which was higher than the needs of the domestic market; second, to diversify the market and third, to exploit the product potential as foreign customers (especially from Germany and Spain) who visited its Italian shops appreciated its products. The goldsmith laboratory was founded in 1986 when the interviewee and his elder brother gave birth to a very small laboratory gold.

Over the years, the turnover has always increased, and simultaneously, the legitimate ambitions of one entrepreneur have increased as he saw that customers were no more the neighbours, but they began to be a little bit from outside the region.

The internationalisation process began in 2002, when, finding in ministerial sites foreign opportunities for small businesses, the firm was contacted by an ICE office in Paris, which proposed to do an exhibition at the Paris National Library. It followed shows in Brussels and London.

The next step was in the United States. The laboratory has been invited by an Italian government organisation to attend an important event to promote and enhance the Made in Italy in the USA. Another important experience in the USA was when in 2007, the laboratory was selected from Ben Bridge, an American jewellery chain with 78 shops in the USA. Ten years ago, the firm started the United Arab Emirates experience. The baptism was negative because the company proposed a very high-quality product at a fair price, but the customer, even if he appreciated the design and the style, he didn't like the price. He just wanted to pay in weight of gold.

Nowadays, the situation is different, and the laboratory has collected the most satisfaction with Emirates, Bahrain and Qatar because the company has figured out how to relate with and which product to offer. However, before starting the



international process, the entrepreneurs decided which product propose abroad; the choice was to bring a single product in every foreign market that is unique processing technique—the technique of filigree. It is a kind of gold embroidery, gold wires that are twisted so many times.

Continuing the internationalisation process three years ago, the firm tried to approach the Chinese market, opening a store in Northern China. The firm sells jewels in one of the most prestigious auction houses near Hong Kong. Today all this experiences and knowledge allow to distinguish not only the product features that the firm is going to propose but also the approach with the customer.

The Intercultural Aspects of Customer Relationship

Regarding the furniture manufacturing firm, an important aspect has been the ability of the entrepreneur who has grasped the importance of cultural differences amongst countries in making business. 'If the first step was to enter the market with a product that was close enough to their preferences, the next step was to make arrangements with the product in accordance with their expectations crossing the beauty of Made in Italy products with the needs of customers with a strong purchasing power.'

Another important aspect of exporting in foreign countries is trust in customer relationship management. Trust is gained day by day. You conquer your partner, giving everything he wants and respecting what you promised to him. To do this, the firm provides, in all the projects, all relevant documents from the design stage. When the customer sends the countersigned offer and the first transfer, the company delivers the product on time. Relations with new markets are initially constructed by the personal knowledge of the entrepreneur, and then he proceeds to the construction of the commercial network.

In Russia, the company relies on agencies. Regarding the commercial network, the administrative and accounting level is managed by the firm whilst at the operational level, with local agents who are personally selected by the entrepreneur. The furniture manufacturing firm exports its products in the Chinese market too. It generates the 10% of the turnover.



In the Chinese market, the company offers only serially produced products because there are very long delivery times because of excessive time span for the transportation and customs clearance. However, the firm made a wrong analysis of the Chinese market because the serially produced in China suffer from high institutional constraints, impossible for a small family business to sustain. The right choice was therefore to offer only products made on the project. Regarding on the sales network, the firm has just an agent in China. Furthermore, in this market, trust is an important aspect transmitted at the exchange relation whilst payments and post assistance are managed in the same way as the Russian market.

Regarding the firm that produces heat exchangers for domestic boilers, to sell its product abroad, the firm has to comply with the European legislation (PED) because these products can endanger human life. This legislation was also adopted from foreign countries, and then with the same rules, the firm can sell in every country.

In Europe, Turkey and Iran, the firm usually sells three power boilers. In China, as the apartments are much smaller than Europeans, they need less power, and then the firm sells a less powerful boiler.

Regarding the sales network, the company must find people selling or other components of the boiler or builders. They are either nonexclusive agents or distributors. In Turkey, the company has a direct presence, whilst in China and Iran, it has distributors who also sell other components. Concerning customer relationships, culturally, Turks are very similar to Europeans. Iranians have very strict ethics; 'they have the word of honour'. Chinese customer 'exhausts you in price negotiations'. 'If a European negotiate for price, service, delivery, quality, a Chinese strive only for price and not caring about services and quality.'

Another important aspect is that foreign customers pay everything in advance. In Iran, a country that has an embargo by the United States and Europe, sales management is a little complicated because the customer can't make out the money from the country, so he must rely on foreign banks. In China, if you face your product with a Chinese manufacturer, it is a



suffering because Chinese promote the local producer. If the local producer sells in Europe, he is granted a tax refund. The government covers part of the cost incurred by the company to sell in Europe. The Chinese government encourages the export and the domestic market, whilst the exporter has a duty of 18% and will not sell ever. The firm can sell in this market because it offers an innovative product that Chinese are not still able to realise.

The interviewee reports that learning about the culture of foreign customers in exchange relations is very important. The Chinese focuses all on the relationship. When you start the business with a Chinese customer, you always have to go visit him, go to dinner with him where it takes you to toast, shake hands and make the usual photo to start a consolidated relationship. The Iranian is a real gentleman, keeps his word, signs the contract and keeps it from beginning to end without an eyelash batting. The Turkish is always looking for more discounts and better conditions and tries to deceive you. Regarding the assistance service, at the European level, when you supply this product, you must attach a sheet of compliance on any lot you deliver (the so-called PED) and a manual of use and maintenance.

The quality is fundamental because the product you provide is dangerous. The assistance is mainly to understand what happened to a defective product, and it is usually done in the laboratories of the client and of the firm to seek for a solution together. Defects are divided into two types: The first is the production defects, where the customer stops the product and sends it back, and in a few days, the company must guarantee it. The second is the functional defectiveness, where it has a defect that you can view in the time of assembly. It is important to check these errors because the client makes you pay both the piece that you need to replace and the service assistance.

In the sector of equipment for agricultural irrigation, each country has its own needs given the particular characteristics of the machine. For example, East countries buy standardised equipment without too many accessories, whilst more developed countries buy machines technologically equipped. For example, in Europe, machines are usually computed and fully



accessorised. Russians, on the contrary, buy machinery very large but very simple and not equipped since they have a large amount of manual labour. In Australia, in general, the company sells products fully accessorised as 'Australians spare no expense'.

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In addition, in any country, people use machines of different sizes that fit the needs of local farmers and the geographical areas (depending on the type of soil, slope, size of the parcels, etc). In general, if the customer has particular needs, the firm is easily able to customise the product required. The sales network consists mostly by retailers (or big dealers of agricultural machinery and companies specialised in irrigation) and some agents. The retailer provides the installation, technical assistance, reliability and spare parts available. If there are problems during the period of warranty, the manufacturer sends their technicians, spare parts and components. In special cases, or important projects, the manufacturer is directly involved in it. The firm has also an after-sales office that manages technical problems and warranties.

Learning about the culture of foreign clients in customer relationships is essential. It is important to respect the local customs, which may change according to religion and traditions. For example, in Russia, during meal, it is a custom to thank customers and suppliers by standing, making a short speech and toasting with a 'tost'. In Islamic countries, where the negotiation between customer and supplier is sacred and necessary, 'it is a kind of sealing of the sale'. 'Islamic countries are those which require more attention and care.' Trust is the major component in the relationships with the foreign markets. It is equal as regards to payments. The company has loyal foreign customers to which it grants delayed terms of payment, but normally, foreign customers pay in advance (above all for countries outside the CEE).

Regarding the product features offered by the firm that produces artistic wooden objects, the product is appreciated in different countries, and the most requested are Pinocchio, the ladybug in flight (with open wings) and the classical dancer. The products do not require specific technical modifications to satisfy the preferences of foreign customers with rare exceptions. For example, the United Arab Emirates customers have requested to



create bigger objects (e.g., the license plate to put on the doors is 50% bigger than Italians). South Africa customers required to realise new animals of the savannah, the so-called Big Five: lion, zebra, giraffe, hippopotamus.

Regarding the legislation on consumer and environmental protection, the products of the firm are complying with the European legislation. As the European legislation is quite stringent, it allows the company to be almost complied with the legislations of other foreign countries. Rarely, they are slightly restrictive than the European one, for example, in the United States, for the clocks since they represent a critical component, not so much for reasons of consumer safety but as potentially dangerous objects because of terrorism. In that situation, rather than modify the product, the firm had to better explain the technical specifications, even if they were already compliant with the requirements.

With regard to the sales network, the company has approximately 100 retailers that distribute at brand stores (25) and in corner stores (75). In Canada, South Africa and the United Kingdom, the firm has a distribution agreement with territorial exclusivity. The entrepreneur is aware that learning the culture of the foreign country is crucial to develop successful relationships with foreign customers: 'It is very important to know the country through a preliminary study of the religious, cultural and geographical aspects, then to study in-depth the profile of the customer and, finally, to empathize with the customer.'

Arab customers are featured by a strong culture of commercial negotiations. With them, you have to be willing to deal: 'If you think you have given him the best possible commercial condition, usually they think that you could give him a little bit more.' Spanish customer is more sanguine, empathic. Usually, 'the negotiation with Spanish customers is very similar to that between Italians, you reach a compromise and have a drink at the bar.'

The German client is much more structured: 'Once you have defined a product at a certain price he will not ask you more, especially if the relationships is consolidated and trusting, as he knows that I give exactly what I can.' He respects the agreed conditions (e.g., payment terms), and at the same time, he demands respect (e.g., in terms of delivery).



In summary, there are three types of negotiations: the exasperating negotiation with the Arabs, the structured or schematic negotiation with the Germans and the creative negotiation with the Spanish. Referred to after-sales service, it is managed by dealers. If necessary, the firm uses mainly e-mails and videos on Skype for a matter of costs. Trust is the key component in business relations with the foreign markets: 'It takes a long time to build trust and it takes very little to destroy it, especially with countries such as Germany, while with Latin countries such as Spain you can find always a way to reach agreement.' Luckily, the products are very rarely defective, and the firm adopt always the logic to solve problems and never say 'I am not wrong', trying to turn every contact point to an opportunity to promote its products.

Regarding the goldsmith laboratory, the jewel is generally combined with precious stones or cameos which is a worked shell in their back in which you create drawings that often represent female figures, frequently with bared breasts. It is strongly not recommended to propose a cameo like that the Arabs because it isn't respectful. 'However, the small artisan generally does not market research as he considers to propose the same thing to everyone. Therefore, it is important to know well the different cultures and bring a product that respect the culture and doesn't offend the customer.'

A further important aspect is the sacredness of the stones. Chinese adore a jewel with the jade. If you propose the same jewel to an Italian or an American, he remains indifferent as it is considered less precious, not valuable. Chinese consider amber a little magic stone from miraculous properties, and therefore, it is very pleasing, especially when set in jewel. 'Although maintaining the same design there was the need to adapt to custom and traditions of the destination country.' The company won the challenge by typing the customer profile. The American customer appreciates the style, the elegance and the softness of the forms of jewel however wants a sophisticated and very high-quality product. The Arab customer doesn't give importance to the jewel design but gives high value to weight of the gold and to the price. The Chinese customer can stay in front of jewel for hours, looking it in all perspectives and in silence. He prefers



lighter forms, basic but embellished for something special. Amber, coral and ruby stones are those which give a lot of value. They will never ask the price of the stone. They want to know the story behind the jewel and the stone since the creation phase.

However, the Chinese customer is very difficult to conquer. Because he is very wary and careful of what he is buying, he does all the questions and then chooses. However, the relationship with the foreign customer is based on trust and respect. Another relevant aspect is how the firm manage the service assistance and complaints. In the UAE, the laboratory has an agent and the personal presence of the entrepreneur during the two main fair of the sector. In China and the USA, the assistance is managed by the stores and by the jewellery chain, respectively.

It is also necessary to know the customs regulations of the destination country. For example, in Bahrain, it is forbidden to enter products with pearls. For the Emirates, there is a list of stones that cannot enter the country, especially to political dynamics. (As the Emirates has problems with Tanzania, tanzanite stone cannot enter in the Emirates.)

The Perception of Foreign Culture According to Italian SMEs

To understand the interviewees' perception of the national culture of the foreign markets, we have adopted the Hofstede model. In particular, we asked them to give their impression of the national culture according to each dimension of the Hofstede model: power distance, individualism versus collectivism, masculinity versus femininity, uncertainty avoidance and long-term orientation. In addition, we compared the Italian SMEs perception with the results of the Hofstede study. In general, the thoughts of the interviewees are quite aligned with the results obtained by Hofstede (Table 1). The words in red show the differences between the opinion of the respondents and the results of the Hofstede study.



Table 1: Perception of the interviewees about the national culture of foreign customs

	Power distance (PD)	Individualism vs Collectivism (IVC)	Masculinity vs Femininity (MVF)	Uncertainty Avoidance (UA)	Long-Term Orientation (LTO)
China	A. High B. High E. High (High)	A. Collectivism B. Collectivism E. Collectivism (Collectivism)	A. Masculinity B. Masculinity E. Masculinity (Masculinity)	A. Low B. Low E. Low (High)	A. Short B. Long E. Short (Short)
Russia	A. High C. High (High)	A. Collectivism C. Collectivism (Collectivism)	A. Femininity C. Femininity (Femininity)	A. High C. High (High)	A. Long C. Long (Long)
Turkey	B. High (High)	B. Collectivism (Collectivism)	B. Masculinity (Masculinity)	B. Low (High)	B. Short (Short)
Iran	B. High (High)	B. Collectivism (Collectivism)	B. Femininity (Femininity)	B. Low (Low)	B. Long (Long)
France	C. High (High)	C. Collectivism (Collectivism)	C. Femininity (Femininity)	C. High (High)	C. Long (Long)
Germany	C. Low D. Low (Low)	C. Collectivism D. Collectivism (Collectivism)	C. Masculinity D. Femininity (Masculinity)	C. Low D. Medium-High (Low)	C. Long D. Long (Long)
Australia	C. Low (Low)	C. Collectivism (Collectivism)	C. Masculinity (Masculinity)	C. Low (Low)	C. Long (Long)
Spain	D. Medium-Low (High)	D. Collectivism (Collectivism)	D. Femininity (Femininity)	D. Medium (High)	D. Short (Short)
UAE	D. High E. High (High)	D. Collectivism E. Collectivism (Collectivism)	D. Masculinity E. Masculinity (Masculinity)	D. High E. High (High)	D. Long E. High (NA)
USA	E. Low (Low)	E. Collectivism (Collectivism)	E. Masculinity (Masculinity)	E. Low (Low)	E. High (Low)

Source: Authors' own analysis

Legend:

A=The furniture manufacturing firm

B=The heat exchangers for domestic boilers manufacturer

C=The firm producing equipment for agricultural irrigation

D=The firm manufacturing artistic wooden objects

E=The goldsmith laboratory

()=Hofstede Study



Italian entrepreneurs have the same perception of the Russian national culture. There are some discrepancies in the perception of the Chinese (LTO), German (IVC, MVE, UA) and Arab culture (IVC, LTO). The main discrepancies concern the perception of the Turkey market as the interviewee considers it as an individualistic, masculinity society and with a low uncertainty avoidance, whilst Hofstede, in his study, defines Turkey as a collectivistic and femininity country with a high uncertainty avoidance. The producer of artistic wooden objects perceives the German culture as a collectivistic, femininity and with a high uncertainty avoidance, whilst the results of Hofstede are different. All these different perceptions could be reconducted to the presence of subcultures inside of the national culture or to the subjective perception of the interviewees (Taras, Kirkman and Steel 2010).

DISCUSSION

Main Results of the Study and Implications

Commerce is about personal selling and establishing continuity in the relationship with individual customers, organisational buyers and intermediates (Usunier and Lee 2013). As a matter of fact, the literature (Grönroos 2007, 2016) underlines that we are moving to a new competitive situation that we can describe as competitive of services (Grönroos and Gummerus 2014).

The first research question of the study tried to understand the influence of foreign market culture on customer relationship in terms of product features and after-sales services. It emerges clearly that culture influences the relationship with foreign customers both in terms of product features and after-sales services, so much so that each case study accepted the challenge of customer management, adapting the domestic culture to foreign culture. Referring to the international communication strategy, Table 2 shows that three firms adopt a glocal strategy except for the firm producing equipment for agriculture irrigation and the goldsmith laboratory, which adopt a local approach.



Table 2: International paradigms and after-sales services

	Standardised		
<i>After-sales services</i>	Adapted	Furniture manufacturing firm Heat exchangers for domestic boilers manufacturer Artistic wooden objects producer	Equipment for agriculture irrigation producer Goldsmith laboratory
		Standardised	Adapted
		Product	

Source: Authors' own analysis

This means that three case studies offer a standardised product and adapt the after-sales service according to the culture of their customer, whilst two case studies offer a customised product and adapt the after-sales service activities in accordance with the culture of the foreign markets (Kraus et al. 2016). Analysing these five firms, it emerges that they have some aspects in common. The amount of the turnover generated by foreign market sales is relevant in all case studies, so the contribution to their sustainability is fundamental. An interviewee reported that 'internationalization has supported the company from the financial point of view as foreign customers pay before the withdrawal of the product'. This is a relevant aspect, above all, for small family businesses. All the cases reported have grasped the requirements to succeed in international markets, adapting products and services to local market and its culture and offering assistance, in brief, taking care of the foreign customer as Herbig (2013) suggested (Table 3).



Table 3: Relevant aspects emerging from case studies

Aspects	Furniture manufacturing firm	Heat exchangers for domestic boilers manufacturer	Equipment for agriculture irrigation producer	Artistic wooden objects producer	Goldsmith laboratory
<i>Why become international</i>	Saturation of the domestic market	Saturation of the European market	Natural process	1. Saturation of the domestic market 2. Market diversification 3. High potential appreciation of the product in the foreign markets	Ambition of one of the founding members
<i>How to become international</i>	Same product to different foreign markets	Same product except to China	Different product for different markets	Same product to different foreign markets with few exceptions	Different product for different markets
<i>Main foreign market</i>	China and Russia	China, Iran and Turkey	France, Germany, Russia and Australia	UAE, Germany and Spain	UAE, China and USA
<i>Sales network</i>	China: 1 agent Russia: 2 agencies for serials 1 for contract	Turkey: direct presence China Iran: retailers	Retailers	100 retailers: 25 brand stores, 75 corner stores	UAE: direct participation to a fair sector and 1 agent China: 3 stores USA: jewellery chain
<i>Assistance service provider</i>	Dealer	Retailer	Retailer	Retailers, e-mail of firm	Agents, store and at least the firm
<i>Keyword of customer relationship management</i>	Trust and commitment	Trust, commitment and price	Trust and respect	Trust, respect and collaboration	Trust and respect
<i>International approach</i>	Think global, act local	Think global, act local	Think local, act local	Think global, act local	Think local, act local
<i>Degree of attention to intercultural aspects</i>	High	High	High	High	High

Source: Authors' own analysis



As said in the theoretical background, international after-sales activities involve issues, including the dilemma between the opening of a customer service centre abroad with specially trained personnel and choosing a care provider or an independent local distributor. As a matter of fact, small enterprises are not able to open customer service centres in each country they export. The firms analysed have solved the dilemma between the opening of a customer service centre abroad and choosing a care provider or an independent local distributor, resorting to retailers or agents which provide assistance service to customers, according to their cultural expectations, reducing the cultural gap because they have the same culture as the customers. In particular, the firm producing furniture recourses for its sales network to agents, whilst the sales networks of other firms are based mainly on retailers.

In terms of service quality, all five firms based their competitive advantage on the service quality offered. The foreign customers have a good perception of the service quality they offer (Gummesson and Costabile 2006; Schiffman and Wisenblit 2015), and almost all the foreign markets are careful about it (such as Russia and Australia), whilst others pay more attention to price and discounts (such as Iran and China) even if they consider the technical assistance of the producer a relevant aspect. The quality concept in terms of excellence innate emerges clearly in the case of the firm that produces wood furniture, designed by Italian designers, as well as in the case of the goldsmith laboratory and the artistic wooden objects producer. The quality in terms of subjective matter emerges in the firm that produces and sells equipment that better fit to the needs of local farmers.

Customer assistance in terms of warranties, manuals and instructions (that is, conformity to certain specification) emerges in the case of the heat exchangers and domestic boiler manufacturer in which a prerogative for exporting its products is to attach a sheet of compliance (the so-called PED), the manual of use and maintenance, on any lot that it sells. Another aspect that firms have in common is the term of payment. Foreign customers pay in advance the product required. Regarding the Chinese market, it is interesting to note that firms confirm the



presence of high institutional constraints. It appears that the Chinese government promotes local producers and helps them (granting a tax refund) in selling abroad.

As regards the Russian market, it emerges that on the one hand, customers buy standard product that are simple and not equipped (such as for the purchasing of equipment for agricultural irrigation). On the other hand, they have a taste for the requested product, a traditional and high-quality one (in the case of furniture).

Despite their different culture of origin, the importance of the relationship with foreign customers, focusing it on trust, commitment and respect emerges. These elements are on the basis of customer relationship management, and trust is a critical variable in different cultures, confirming what emerges in literature (Usunier and Lee 2013; Schurr and Ozanne 1985). In addition, an extremely important condition to succeed in the global market and to adequately respond to customers' needs and preferences emerges, that is, to be aware of cultural differences (Pomirleanu et al. 2016; Gesteland 2012). Without cultural awareness, it is impossible to be effective in an international context.

Managing the knowledge of other culture is a key to succeed in the global markets because cultural background determines the reaction of a market to products and business proposals (Powers and Loika 2010). The relevance of the intercultural competence defined as the ability to communicate successfully with people from different cultures stimulated the attention of business studies to intercultural aspects as the business negotiations are, in fact, a moment of encounter in which people from different cultures with different attitudes and behaviours come into contact.

It is fundamental that successful sales managers develop a sensitivity to the cultural level, identifying cultural differences and their potential implications for the sales process (Herbig 2013; Ihtiyar and Fauziah 2014, 2015a, 2015b). They should also be informed about the practices in the field of trade of the countries with which they intend to treat (Browaeys and Price 2015; Lustig and Koester 2013). The profile of the interviewee seems to



adequately respond to these characteristics to successfully manage the foreign markets and to negotiate with people from different cultures. An additional managerial implication that emerges from the study could be the expanding marketing department tasks. It could monitor over time the needs of foreign customers and develop better relationships with foreign customers, considering the cultural variable and how it evolves over time.

The success in the foreign markets for all the small and medium enterprises studied is mainly because

- the products are offered with high-quality materials and suitable with the customer expectations,
- long-term relationships with foreign retailers are established to co-create value to deliver to the final customer,
- customers relate with retailers skilful, competent and of the same culture and
- customers acknowledge a high-technical quality of the offering.

The second objective of the study wanted to investigate how Italian SMEs perceive the national culture of their foreign customers. The perception of the national culture of the foreign markets confirms in general that the Hofstede model is still valid. In fact, the thoughts of the interviewees are quite aligned with the results obtained by Hofstede in his study (Table 3). In this sense, it could be a useful tool for export managers who intend to approach a foreign market for getting primary information about national culture. The study proposes a conceptual advancement. As the concept of service differs according to the culture of origin, it could be interesting to add to the Hofstede model the service perception as a new dimension to analyse the national culture.

In this way, a firm that has the intention to sell in a new market could get primary information about what the customers expect from it in terms of service. Beugelsdijk et al. (2017) make some suggestion in the usage of the Hofstede model: distinguish between country effects and culture effects, integrate additional cultural dimensions (Kirkman et al. 2006) and asses the effect size.



The study presents also some limits. We presented the preliminary results of an empirical study, which is the first step of the interviews realised. We should improve the results considering the triangulation. We could also strengthen the results by interviewing other firms belonging to different sectors or of different size to identify more features of the intercultural customer management. Extending the sample, we could generalise the results from a statistical point of view. Investigating the relationship with firms located in other countries of the Euro-Mediterranean area could be very interesting.

Further research studies could analyse the perception of retailers about the relationship with firms and make a comparison by asking them to evaluate the services offered. We could also deepen the characteristics of the national culture and try to understand how foreign markets perceive the Italian firms and the Italian culture. In this way, firms could get useful information to improve their activity and their offering.

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IS TIKA TURKEY'S PLATFORM FOR DEVELOPMENT COOPERATION OR SOMETHING MORE?: EVIDENCE FROM THE WESTERN BALKANS

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This paper explores the role of Official Development Assistance (ODA) in Turkey's foreign policy by looking how it can function as a foreign policy instrument. With the example of the Western Balkans, a strategic region in the contemporary Turkish foreign policy realm, we will show that Turkey's development cooperation is more than just sharing its own experience, knowledge and comparative advantages of being a recipient, but rather a foreign policy instrument to gain influence. The manifestation of Turkey's ODA can be observed through the activities of the Turkish Cooperation and Coordination Agency (Türk İşbirliği ve Koordinasyon İdaresi Başkanlığı – TIKA), which was established in 1992 with the aim of pursuing the idea of assisting transition economies in Central Asia, Caucasus, and the Balkans. Focusing on the period when Turkey concentrated on the Western Balkans, and having in mind the perception of the latter as one of the biggest aid providers among the emerging economies, we will argue that TIKA, which has a monopoly over Turkey's ODA, is used as an important foreign policy instrument.

Key words: Turkey's Foreign Policy, TIKA, Western Balkans, Development Cooperation, ODA



INTRODUCTION

In the 21st century, countries have to employ different foreign policy instruments in order to be recognised as an important actor in the contemporary international reality. In order to do so, they often have to use all the possible instruments available to achieve their foreign policy goals. With several (newly) emerging actors providing official development assistance (ODA), one questions whether this is the instrument that can help countries become recognized, influential and powerful in the international community. ODA is relatively new in international relations, starting with World War II, when Turkey and Greece received aid from the United States of America, shortly followed by the Marshall plan, which was aimed at the economic recovery of Europe (Fidan and Nurdum 2008, 98; Lancaster 2009, 799). It resulted from different historical developmental imbalances, which, together with the industrial revolution in the 19th century and the abolishment of colonial systems, led to the creation of independent states that were less developed and strived to establish their position in the international community. With the establishment of the Non-Aligned Movement and the Group 77, newly established independent countries demanded a new economic order in which the international community would offer them active support, not being conditioned neither on the political nor military level. Moreover, they wanted the new economic and monetary system to provide developing countries with flows of capital that would pave the way towards their development (Benko 1997; 2000; Declaration on the Establishment of a New International Order A/9556).⁵ However, despite the overarching idea of the developing countries, not all of them

5 Quickly after the independence of France's African colonies, France provided newly independent countries with large amounts of aid, in order to somehow help them with their economic needs and also to keep the French influence and predominance in the countries (Lancaster 2007, 28). Great Britain also wanted to maintain the influence in its former colonies using foreign aid as a tool to achieve this, whereas Japan used aid for reparation payments in Asia as well as because it needed raw materials and foreign markets for its exports (Lancaster 2007, 29).



have 'walked' at the same pace, some being (very) successful and others less so in terms of economic growth and development.

The increasing importance of developing countries that are becoming aid donors is changing the development of the international development finance and consequently also the balance of power in international relations (Kavakli 2018). Despite the fact that emerging donors have been primarily recipients of ODA, they now also provide it and the question is what the motives behind such endeavours are (Drecher et al. 2013; Walz and Ramachandran 2011). Are the donors driven by their own experience of being a recipient, wanting to share their knowledge and the comparative advantages they gained in their own developmental process, or are they driven by their own self-interests, trying to pursue foreign policy goals through the well-established instrument of ODA? With this question in mind, we will analyse one of the new emerging donors that "is at the forefront of international community these days" (Göle 2014), being on the list of the Organisation for Economic Co-operation and Development Assistance Committee (OECD DAC)⁶ as an ODA recipient, a non-DAC member providing ODA and voluntary reporting to DAC. We argue that Turkey as an emerging actor uses ODA as an instrument of foreign policy in order to achieve its foreign policy goals, which can be seen in the regional allocation of its ODA and the strategical orientation towards certain regions. The latter can be also observed in the case of the Western Balkans, as the logic of the establishment of TIKA also lies in an effort to pursue the idea of assisting transition economies in the above-mentioned region. Furthermore, the countries of the Western Balkans are understood as an important empirical reality that can be observed as the instrumentalization of a *Turkified*

6 OECD DAC is a group of donor countries that promote the effectiveness of development aid and support sustainable development through their actions. Its mandate is to "promote development co-operation and other policies so as to contribute to sustainable development, including pro-poor economic growth, poverty reduction, improvement of living standards and developing countries, and a future in which no country will depend on aid" (OECD 2018).



Ottoman history, accompanied by a culturally and ideologically driven foreign policy. This policy is manifested in the thought that Turkey as the inheritor of a long-standing Ottoman cultural tradition should be more active in former Ottoman territories (Öztürk and Gözaydin 2018, 334–335).

The first aim of this paper is to contribute to better understanding of the role of ODA in foreign policy by looking at how it can function as a foreign policy instrument. Secondly, in line with current theoretical considerations, this paper will lay ground for answering the question if Turkey perceives the Turkish Cooperation and Coordination Agency (TIKA) just as a platform for development cooperation or rather as an important foreign policy instrument as well. Stemming from this, the paper also seeks to explore the logic of TIKA's presence in the Western Balkans, which is perceived as a strategic region in the contemporary Turkish political realm. Thirdly, the paper brings evidence on the extent to which the region is exposed to Turkish ODA, which will clarify whether TIKA is understood just as a platform for development cooperation or also an appropriate foreign policy instrument for achieving foreign policy goals in the Western Balkans. Finally, the paper also tackles the characteristics of ODA in today's world system and attempts to explain which factors influence the behaviour of states in the ODA distribution by looking into the theoretical contemplations of ODA as an altruistic, economic and/or foreign policy instrument.

The answers to these three research questions will be provided through a combination of quantitative and qualitative methodology. The basis for the research is a critical-analysis of the available primary and secondary sources that discuss the role of ODA and development cooperation among states, also in the case of Turkey. The second method employed is the method of historical-critical analysis, with which we will try to identify certain patterns in Turkey's development cooperation with other countries. It should be emphasised here that the position of Turkey in the case of ODA is twofold, in the sense that on the one hand, Turkey is an ODA recipient, but on the other hand it acts as an ODA donor. In the case study on TIKA we will use the method of in-depth case study analysis, which has four



methodological characteristics, i.e. reliability, internal validity, external validity and objectivity (Churchill 1991, 148–160). In the case study, we will present the logic of TIKA's presence in the Western Balkans, which is perceived as a strategic region in the contemporary Turkish political realm.

The article is structured as follows: after the introduction, ODA as a foreign policy instrument is defined within the theoretical framework. This is followed by the empirical part, divided into two subsections. In the first, we will outline Turkey's specific development assistance reality and the shift of position from being an aid recipient to becoming an important aid donor. The second part will discuss TIKA's compliance with Turkey's foreign policy in the Western Balkans. In conclusion, we will provide answers on our research questions and set future paths for research on this topic.

DEVELOPMENT COOPERATION AS A POLITICAL-ECONOMIC INSTRUMENT OR AS AN INSTRUMENT OF ALTRUISM?: A THEORETICAL FRAMEWORK

In order to analyze the importance of Turkey's ODA and answer the research questions, it is necessary to define foreign policy. Foreign policy represents an institutionalized process of activities in official external relations, which are conducted by an independent actor in the international arena (Hill 2016; Benko 1997, 221–227). These activities are shaped by countries in order to change the behavior of other countries in the international environment and represent a key component within a process with which countries transform their goals and interests into concrete actions (Modelski 1962; Padelford and Lincoln 1976). Countries want to influence the international environment with different foreign policy actors, in accordance with their foreign policy goals and interests, which are shaped according to various (internal and external) political elements that define their position in the international community (Benko, 1997).⁷ But

7 For better understanding of the interconnectedness of foreign policy environments see Bojinović Fenko and Šabič (2017).



in order to fully understand and analyze the foreign policy of a country, knowledge is essential about the value system of the actors who create the foreign policy and about how they function, what the goals of the foreign policy are and what kind of means, methods and instruments are used in order to achieve foreign policy goals (Benko 1965; Dimitrijević and Stojanović 1979; Holsti 1988; Vukadinović 1989; Benko 1997; Kanjč 2006). The value system of a country is a diverse set of values (international peace and security, religion, historical ties, socio-political environment, etc.), which are also a reflection of the geopolitics, determining what kind of foreign policy goals should be pursued and with which instruments (Sjöstedt 2007; Udovič 2009).

However, achieving foreign policy goals is possible only by using appropriate strategies that depend on internal and external factors of the foreign policy environment, including socioeconomic and political relations, and material and immaterial elements that determine a country's position in the international community (Benko 1997; Bojinović Fenko 2011).⁸ The goals are very concrete in their nature and can be short- medium- or long-term, with high or low priority. For example, economic prosperity and economic development represent a short-term high priority foreign policy goal, whereas ensuring world peace and security can be defined as a long-term goal with lower priority (Holsti 1988, 124). According to several authors (Dimitrijević and Stojanović 1979; Holsti 1988; Vukadinović 1989; Benko 1997), policy goals can be achieved with the help of different instruments that can be divided into three categories: a) military (coercive) instruments; b) political instruments and public opinion; and c) economic instruments (Benko, 1997). These activities are used to achieve foreign policy goals that are set on the basis of adopted values and strategies (Udovič 2009). However, one foreign policy instrument is not used to achieve only one set of goals, on the contrary, it can actually be used to achieve different sets of goals (e.g. political and economic goals).

8 Even though Benko (1997) claims that foreign policy goals are subordinate to the foreign policy strategy of a country, Holsti (1988) claims that foreign policy goals and strategy are equal and highly connected.



An example of such an instrument that is aimed at achieving more than one foreign policy goal is ODA⁹, a positive instrument of (economic) foreign policy (Benko 1997; Udovič 2009), with which countries want to achieve different political and economic goals. ODA comprises all those international flows to the aid recipient countries that meet certain criteria, such as the promotion of economic development and prosperity in the recipient countries, the source being the public sector and it being given under concession terms, meaning that the grant element is not less than 25%¹⁰ (Bučar and Udovič 2007; OECD 2018). Depending on who grants it, the latter can be divided into bilateral and multilateral ODA. The former represents direct flows of ODA from a (developed) donor country to a recipient (developing) country,¹¹ whereas the latter is delivered only by an international institution,¹² which fully or partially carries out the development function (Mavko 2006; Bučar and Udovič 2007; Gulrajani 2016).

Since its beginnings, giving ODA has not only served the moral, altruistic and development purpose, where countries

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- 9 ODA “is defined as government aid designed to promote the economic development and welfare of developing countries” (OECD 2018). It is part of the broader concept of international development cooperation, which is defined as a set of different actions of providers in all areas that contribute to the elimination of poverty, the reduction of inequality and the promotion of sustainable development in partner countries, including raising public awareness, humanitarian assistance and other official and private flows (Alonso and Glennie 2015).
 - 10 ODA includes grants, soft loans and different provisions of technical assistance. “Soft loans are those where the grant element is at least 25% of the total” (OECD 2018).
 - 11 Bilateral ODA is a direct flow of resources from one country to another country and can be delivered through the public sector, non-governmental organisations or even public-private partnerships with the recipient country. The donor retains control over the funds and decides who will receive them (Mavko 2006).
 - 12 Multilateral ODA is channelled through international organisations (e.g. World Bank, International Monetary Fund, United Nations Development Programme, OECD, etc.) and is allocated based on the multilateral institution’s own decisions (Mavko 2006; Gulrajani 2016).



provide aid as a result of a moral imperative to overcome poverty, promote development, ensure humanitarian relief, and achieve better distribution of global resources, but has also been driven by the donors' pure self-interests (Lancaster 2007, 14). One such self-interest driven purpose of ODA is diplomatic : countries try to achieve international political goals by ensuring donor governments high-level access to the recipient government official, which functions as a symbolic confirmation¹³ of successful high-level state visits (Lancaster 2007, 13). Another purpose that is not very altruistic in its core, is commercial: countries use ODA for expanding their own exports and securing access to raw materials,¹⁴ or just tie their aid in order to procure goods or services from the aid donor (Lancaster 2007, 15; Clay et al. 2009).¹⁵

As a positive instrument of economic foreign policy, ODA therefore creates a favourable international economic environment for donor countries, directly contributing to the expansion of export markets, access to raw material or promotion of foreign investments (Schraeder et al. 1998; Benko 1997; Woods 2005; Lancaster 2007; Van der Veen 2011). It either is in the function of rewarding the behavior of a recipient country, or it serves as an inducement to change the behavior, thus the decisions for allocation of ODA are highly dependent on the priorities of the international community and the foreign policy goals

13 Symbolism is one of the most important aspects of diplomacy, translating real relations into symbolic ones and vice versa (Arbeiter and Udovič, 2017).

14 Instance of this are for example Japan and several Scandinavian countries (Lancaster 2007, 14).

15 Despite the fact that tied aid is almost forbidden or should be avoided by donor countries, it exists de facto. It is used to create a favourable environment in the recipient country for the needs, priorities, interests and goals of a donor country. Tied aid represents direct conditioning of ODA in order to achieve economic and political foreign policy goals of a donor country (Lancaster 2007; Clay et al. 2009; Bučar 2011; Udovič and Bučar 2016).



of an individual donor country (Apodaca 2017).¹⁶ Moreover, as suggested by several authors, ODA is used to promote geostrategic interests, to achieve the donor's political, economic and security foreign policy goals, and to strengthen alliances (Maizels and Nissanske 1984; Lancaster 2007; Udovič and Bučar 2014; Udovič and Bučar 2016; Apodaca 2017). Acting as a positive economic instrument of foreign policy, ODA is allocated to those geographic areas where the donor country has developed its economic interests (Maizels and Nissanke 1984; Benko 1997; Alesina and Dollar 1998; 2000).

Nevertheless, achieving the political and economic goals and interests of a country is highly dependent on a systematic planning of the direction of ODA in accordance with the foreign policy goals and economic interests (Bučar 2011, 736). On the one hand, we can determine the intentions of a donor country and the political and diplomatic importance of the recipient country for the donor country through aid allocation. Increases or decreases in bilateral aid can show what kind of diplomatic relations the donor and recipient country have and what the political priorities of a donor country are (Alesina and Dollar 2000; Lancaster 2007). In addition, "most bilateral ODA is driven by a complex set of historical, political and sometimes commercial motivations alongside broader development and poverty considerations" and as such "represents an element of donors' foreign policy" (International Development Association 2002, 2). On the other hand, ODA is operating in accordance with the *ex-ante* principle, helping to create an environment for developing economic relations between the donor and recipient country and even helping towards the successful development of the commercial diplomacy of a donor state (Mawdsley et al. 2014; Okano-Heijmans 2008; Demena and Bergeijk 2016). It can act as an instrument that creates a better economic environment in the recipient country, easing the entrance of the enterprises

16 For example, if the motivation for giving ODA were solely motivated by the goal of reducing poverty, European Union countries should reallocate over 70% of the aid to only the 20 poorest countries (Bigsten et al. 2011).



from the donor country in the market of the recipient country. According to Maizels and Nissanke (1984, 891), bilateral ODA is mostly focused on achieving the economic, political and security goals of a donor country. It therefore represents a foreign policy instrument that countries can use in the formulation of their foreign policy, considering that a target country receiving ODA is included in the foreign policy strategy of a donor country (Mrak et al. 2007; Udovič 2007). Hence, countries can make a deliberate choice which country to help with ODA and consequently also achieve various other goals, which are not only political, but also economic (Udovič 2009).

BIPOLAR PERSONALITY: TURKEY AS A RECIPIENT AND DONOR OF ODA

In the late 1940s, inspired by the foreign policy disquiets that resulted from backing the pro-Western regimes established in Europe after the Second World War, Turkey received 150 million dollars¹⁷ to foster its economic development. In addition to the U.S. efforts, from the 1950s onward, Germany and Japan participated as the other two main donors that strived towards the enhancement of Turkey's economic performance (Fidan and Nurdun 2008, 94).¹⁸ In addition to the bilateral nature of development assistance, multilateral donors have also had a significant impact on this equation. The most notable partnership in terms of technical assistance, which was significant and present

17 According to the U.S. State Department, Turkey was granted more than 12.5 billion dollars in economic aid as of December 2005 (Fidan and Nurdun 2008, 99).

18 If the cooperation of Turkey and Japan started in 1965 with the "Acceptance of Trainees" programme, the cooperation between Turkey and Germany was launched in 1970 within the framework of German-Turkish Technical Cooperation (Fidan and Nurdun 2008, 99). According to the estimates published by Turkey's State Planning Organization (SPO) (Devlet Planlama Teşkilatı – DPT), both countries combined provided 557 million dollars of technical assistance, which paved the way towards the successful implementation of various projects in different sectors (DPT 2000).



until 2000, was the one with the United Nations Development Programme (UNDP) (UNDP 2018). The latter brought in new ideas and strived for the promotion of the institutional capacities, providing much needed assistance for the enhancement of sustainable human development with 33.12 million dollars (BYKP 2005).

Even though Turkey is still an ODA recipient, it formally started its aid activities on 5 June 1985, when it arranged a wide-ranging aid package worth 10 million dollars to the Sahel¹⁹ countries within the framework of the State Planning Organization (*Devlet Planlama Teşkilatı* – DPT) (Fidan and Nurdun 2008, 100).²⁰ The institutionalization of Turkey’s development assistance came in 1992, when Turkish Cooperation and Coordination Agency (*Türk İşbirliği ve Koordinasyon İdaresi Başkanlığı* – TİKA) was established in order to pursue the idea of assisting transition economies in Central Asia, Caucasus, and the Balkans (TİKA 2004). Nuri Birtek (1996, 37) argued that the first synchronized assistance dates to 1996, when Turkey contributed to the institutional capacity building in Gambia, Guinea, Guinea Bissau, Mauritania, Senegal, Somalia, and Sudan. From 2003 onwards, TİKA²¹ started to engage in the Middle East and North Africa (MENA) countries and in African countries, and the Turkish Statistical Institute and DPT started to track and analyze the portion of Turkey’s technical assistance to partner countries granted by TİKA (Turkstat 2018). In 2004, TİKA took over the systematic calculation of ODA, which was based on the OECD DAC Guidelines, from the Turkish Statistical Institute and started to incorporate the figures regarding the distribution of ODA in its annual reports.

19 Those countries were Ethiopia, Sudan, Somalia, Mali, Niger, and Chad.

20 “The history of Turkish foreign aid donations dates back to the Ottoman era. There are several historical records indicating that the Ottoman Sultans granted foreign aid to countries around the world including the ones in Europe such as Poland and Ireland” (Sen 2018, 88).

21 Carlos Lopes and Thomas Theison (2003, p. 22–28) pointed out that Turkey became the first country to give technical assistance to Eurasian countries.



Table 1: Official Development Assistance of Turkey from 2002 to 2017 expressed in dollars

Year	Amount of Official Assistance in dollars
2002	85 million
2003	76 million
2004	339 million
2005	601 million
2006	712 million
2007	602 million
2008	780 million
2009	707 million
2010	976 million
2011	1273 million
2012	2533 million
2013	3308 million
2014	3591 million
2015	3919 million
2016	6487 million
2017	9084 million

Source: Authors' own analysis based on the annual reports of TIKA from 2005 to 2017 and OECD (2019)

However, the most important year for TIKA is 2001, when it became a part of the Government of the Republic of Turkey (Prime Ministry) in order to increase its efficiency (Lopes and Theisohn 2003, 25). Furthermore, this summarizes the second major period of changes that characterized TIKA and its activities (Ipek 2015, 179). As Parlak (2007, 74–79) argued, our focus is going to be in the so-called third period, when TIKA focused on the Western Balkans in order to help with the reconstruction after the wars in Bosnia and Herzegovina and Kosovo. The third period is crucial as it also coincides with the notion that the large area stretching from the Adriatic Sea to Central Asia is expected to gain prominent geopolitical importance in the 21st century (Kabasakal 2000, 8).

Additionally, from 2013 on, Turkey is considered as one of the biggest aid providers among the emerging



economies, surpassing China for the first time (Hausmann and Lundsgaarde 2015). As a country with important cultural, economic and ethnic ties with the vast majority of the countries in the area, Turkey felt that it needed to support the transformation efforts of the Eurasian countries (Fidan and Nurdun 2008, 101).

This was also argued by Öztürk and Gözaydin (2018, 339) as they showed that the new model of Turkey's engagement in the Western Balkans entailed active cooperation with religious networks, cultural platforms and state apparatuses.

Ever since then, TIKA has evolved into the main Turkish official development cooperation agency with 55 field offices, 7 of which are located in the Western Balkans.

In order to understand the role of TIKA in Turkey's Foreign Policy, we must first highlight the scope, fortitude and project implementation by TIKA.

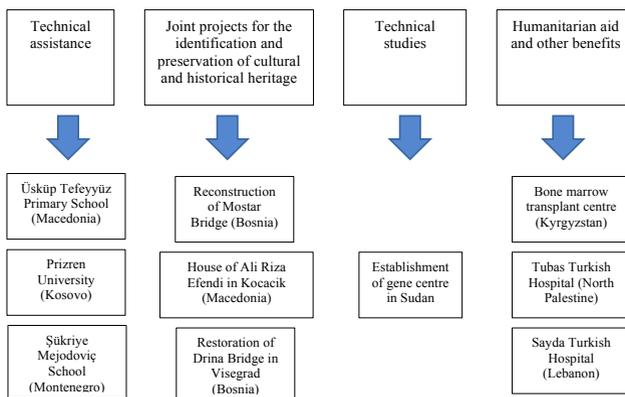
TIKA'S SCOPE, FORTITUDE, AND PROJECT IMPLEMENTATION

Defined with bylaw no. 4668 published on 12 May 2001 and broadened with the statutory decree no. 656 in order to increase its proficiency, the main duties of TIKA are to improve economic, commercial, technical, social, cultural, and educational support to developing countries by steering projects (Nuroglu 2013, 7). In line with this, TIKA has "the responsibility" to implement projects that will strive towards the elimination of prejudices about Turkey and strengthen inter-communal dialogue among nations (ibid.). In 2008, the Government of the Republic of Turkey added the restoration of Turkey's cultural properties abroad to the responsibilities of TIKA and underlined that TIKA should "protect the common historical, cultural, and social heritage and values" (Nuroglu 2013, 8). In general, the projects undertaken by TIKA can be reduced to four core directions: 1) technical assistance; 2) joint projects for the identification and preservation of cultural and historical heritage; 3) technical studies; 4) humanitarian aid and other benefits (TIKA, 2011).



If technical assistance focuses on training programmes, academic, scientific and cultural cooperation projects, the technical studies aim to stimulate Turkey’s potential in the regions where there is a need for specialized personnel (TIKA 2009). The latter is rarely implemented, given that from 2009 until now, there has been only one such concrete example disclosed by TIKA, and that is the establishment of the first gene centre in Sudan in 2011 (TIKA 2011, 59). On the contrary, the largest part of the projects stem from the second and fourth point, where TIKA strives for the establishment of departments where students would learn the Turkish language, for the preservation of historical (Ottoman) heritage, and for providing assistance in terms of food, medicine, clothing, and other goods (TIKA 2011, 61–64).

Figure 1: The four core directions of TIKA through the prism of successfully implemented projects



Source: Author’s own analysis based on the Annual Reports of TIKA from 2009 to 2017

Currently, TIKA coordinates its activities with the help of 55 coordination offices in more than 30 countries, but in fact, all decisions regarding the projects go through eight service units (TIKA 2011, 16): 1) Central Asia and the Caucasus; 2) the Balkans and Eastern Europe; 3) Middle East and Africa; 4) East and South Asia, Pacific and Latin America; 5) Foreign Affairs



and cooperation; 6) Legal consultancy department; 7) Strategy development; 8) Human resources and support services (ibid). The most interesting peculiarity regarding the projects, which later become funded by TIKA, is that they should serve both the interests of Turkey and the partner country, not just the latter. Furthermore, from 2011, TIKA started to function as an intermediary and arranger of projects that are supported by Turkish municipalities, which contribute to the development of the countries and “were in touch with Turkey and have important cultural and responsive ties” (Nuroglu 2013, 9). One such example is the Selçuklu Municipality from Konya that funded the renovation of Sarajevo Mevlevi house (ibid.).

Finally, the budget of TIKA is not fixed,²² and varies according to the performance of the Agency in the previous year. Each year, TIKA’s budget has to be approved by the Turkish National Assembly (Nuroglu 2013, 11).

TIKA’S COMPLIANCE WITH TURKEY’S FOREIGN POLICY IN THE WESTERN BALKANS

According to the fundamental policies and priorities, the implementation of projects and activities of TIKA must be in accordance with the Turkey’s foreign policy (TIKA 2017). In order to analyse the purpose (and position) of TIKA in Turkey’s foreign policy, we must first assess Turkey’s Foreign Policy Strategy (Strategy) and situate it within Turkey’s Western Balkans efforts. The identification of these efforts will be achieved with the analysis and interpretation of the above-mentioned Strategy,²³ which was adopted in December 2017 (Disisleri Bakanligi 2018, 2).

With the exception of the first chapter, Turkey’s Strategy systematically and precisely defines priorities both in geographical and sectoral terms. According to the structure of the Strategy, the Western Balkans region is on the 8th place, before NATO,

22 In 2015, TIKA’s budget was 62.6 million euros (TIKA 2015).

23 Turkish Foreign Policy Strategy, which is entitled Entrepreneurial and Humanitarian Foreign Policy (Girişimci ve insani dış politika), has 204 pages and 40 chapters (Disisleri Bakanligi 2018).



the UN, OSCE, the Council of Europe, Cyprus, Greece, and the Middle East, and after the EU, Russia, and the U.S. (Disisleri Bakanligi 2018, 3–5). According to the introductory part, the (Western) Balkans region is understood through the prism of entrepreneurship, as Turkey emphasized that it is “committed to strengthening the regional cooperation and ownership” (Disisleri Bakanligi 2018, 58). Here, it should be stressed that Turkey devoted five pages to the Western Balkans, which include Albania, Bosnia and Herzegovina, Montenegro, Croatia, Kosovo, North Macedonia, and Serbia, as well as Bulgaria, Romania and Slovenia.²⁴ In this way, the Western Balkans²⁵ as we understand them are equated with the broader context of the Balkans, which at the same time opens up space for interpretation, namely that Turkey criticizes the EU foreign policy construct of the Western Balkans. In all the countries, except in Croatia, TIKA is mentioned as an important Agency that allocates between 50–70% of its assets for the restoration of residences, bridges, wells, and mosques which are culturally and historically connected with the Ottoman Empire²⁶ (Disisleri Bakanligi 2018, 58–62). In 2014, the year for which the most recent figures are available, most of the resources were apportioned to Bosnia and Herzegovina (7.35%), followed by North Macedonia (3.46%), Kosovo (2.31%), Albania (2.03%), Montenegro (1.31%), and Serbia (1.28%). Furthermore, the Strategy highlighted that

24 Our focus is on the countries of the Western Balkans, which include Albania, Bosnia and Herzegovina Croatia, Serbia, Montenegro and North Macedonia.

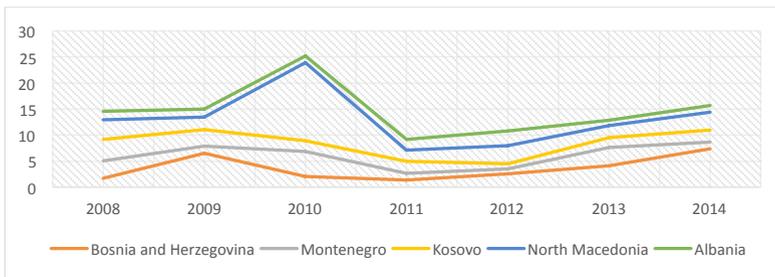
25 From 1998 on, the term Western Balkans is perceived as an EU Foreign Policy construct.

26 Here we can highlight the investments in Prezë Castle in Tirana, five mosques in Tirana, Berat, Korce and Elbasani (Albania), a museum in Tuzla, which serves to represent BiH during the Ottoman Empire, and is considered the oldest mosque in the Western Balkans, a bridge on the Drina that is now known as Sokollu Mehmet Pasha, Mahmut Aga’s mosque in North Macedonia, the construction of a house in Niš in memory of 3000 rebels who resisted the Ottoman Empire in the 19th century and the Mekka-i-Mükerreme mosque in the city of Rožaje in Montenegro (TIKA 2014, 64-108; Daily Sabah 2015; Andrić 2010).



TIKA managed to implement more than 400 projects in Albania and 700 in Bosnia and Herzegovina (Disisleri Bakanligi 2018, 58–59). The latter is, however, hard to track as in the example of Bosnia and Herzegovina there is a lack of systematic monitoring due to the fact that TIKA is not subjected to the Donor Coordination Forum, which was established in 2005 in the light of strengthening the effectiveness of development aid in Bosnia and Herzegovina (Vračić 2016, 13).

Figure 2: *Proportions of TIKA's investments in selected Western Balkans countries from 2008 to 2014²⁷ expressed in million dollars*



Source: Kočan (2018, 50).

The illustration above suggests that TIKA, in line with the Strategy, directs most of its assets to countries in which there is a strong Muslim community and in which Turkey believes its compatriots are living (TIKA 2014, 73–81). For that reason, the largest amount of funds were allocated to Bosnia and Herzegovina, Kosovo, Macedonia, and Albania. In a certain period, TIKA devoted more funds to Montenegro, mainly due to the restoration of certain mosques (in the cities of Rozaje, Belo Polje, and Andrijevica) located in the Sandzak area, where Muslims live (ibid.). The findings presented above are in line

27 The most recent available figures regarding the allocation of TIKA assets are from 2015, when the last comprehensive Annual Report was issued. From 2015 until now, there is just one Annual Report, which was issued in 2017, but it lacks figures (TIKA 2018).

with Gangloff (2005, 34), who argued that from 2002²⁸ Turkey's foreign policy approach towards the Western Balkans has to be understood as a "reflection of the existence of geographical, historical, and cultural links". On this basis, authors like Demirtas (2015), Yurtnaç (2012), and Mitrović (2014) concluded that Turkey's foreign policy presence in the region was initially not based on economic resources, but rather on the idea of the existence of kin communities, which was reflected in the Strategy through the emphasis of the word "compatriots". The concept was also analysed in one of the reports issued by a think tank called Popolari (2014, 14), who underlined that the decision to advocate the concept of "kin communities" was premature, as most Orthodox, Catholic, and Muslim intellectuals considered the period of the Ottoman presence as the greatest tragedy for this region. This argument built upon the fact that the inhabitants who did not practice Islam were politically and socially degraded to the extent that they were exiled and had only limited rights²⁹ (Popolari 2014, 15–16). Because of this, Turkey pushed the idea of kin communities to the background and began to emphasize peace and commitment to the Euro-Atlantic integration, which paved the way towards potential influence in the countries that couldn't to the idea of kin communities, such as Croatia and Serbia (Kirisci 2006).

However, economic interests are visible as well, considering that one of the main foreign policy goals is strengthening economic relations with the countries of the Western Balkans (Kočan 2018). According to Çakır (2014, 80), the "foreign trade volume in the Balkans region increased substantially as a result of

28 The conceptual leader of the Turkish foreign policy transformation was Ahmet Davutoğlu, who laid the groundwork for Turkey's approach to the region in the 21st century, with the most important determinants being two, namely geography and history, as reflected in the Strategy (Kočan 2018, 48).

29 Malcom (1996, 66) emphasized that those who didn't practice Islam couldn't ride a horse, possess a weapon, wear the same clothes as those who were committed to Islam, didn't have the right to sue their pious neighbour and testify before the court.



liberalization process in line with European Union accession requirements, as well as the economic growth in Turkey.” Albania, for example, received 42.2% of all Turkish foreign direct investments in 2007 (Çakır 2014, 78),³⁰ as was the case in Bosnia and Hercegovina,³¹ which was the biggest receiver of Turkish investments in 2010 (Çakır 2014, 80). Even though Turkey’s foreign direct investments to the Western Balkans amounted only to 3% of its whole investments in 2017, it is interesting to note that there are almost 1100 Turkish companies located in the countries of the Western Balkans (Trading Economics, 2018; Ministry of Foreign Affairs 2018; Gonultas 2018; Vasović 2017; Gökgöz, Dizkirici and Gezikol 2016).³² This only shows that the direction of ODA is in compliance with the economic foreign policy goals, considering that the economic relationship with the countries of the Western Balkans is strengthening.

CONCLUSION

In today’s world system, different characteristics of ODA can be identified, which are not defined only by moral imperatives and altruistic impulses, but also by concrete interests and needs of international actors. We can conclude that (bilateral or multilateral) ODA represents international flows which are allocated to aid recipient countries in order to promote economic development and prosperity in these countries. However, humanitarianism and altruism are not the only two characteristics of ODA, as countries do use it to achieve other (self-interested) goals. Its diplomatic component is also very important and (un)successful

30 The reason for that was the partial privatization of a public telecommunications company ALBtelecom, which was taken over by a consortium of Turkish public companies (Çakır 2014, 78).

31 Turkey bought 49% of BH Airlines (Çakır 2014, 80).

32 There are around 700 companies, employing almost 10,000 people in Kosovo and 300 Turkish companies in Albania (Ministry of Foreign Affairs 2018). In addition, Turkey has 100 companies in Macedonia, 70 in Montenegro and in Serbia (Gonultas 2018), whereas in Croatia and in Bosnia and Hercegovina, the number of Turkish companies is not higher than 60 (Gökgöz, Dizkirici and Gezikol 2016).



diplomatic relations are therefore also often realized through the allocation of ODA and a certain amount of it to a specific recipient country. In addition, countries also use ODA for improving their own economic position in the international community, using ODA as a positive instrument of economic foreign policy. It is used to create a favourable environment in the recipient countries, with the aim of further developing economic relations between the donor and recipient country. Countries often decide where to allocate their ODA based on their own foreign policy goals and national interests, taking into consideration historical, cultural, political, geographical and economic ties with the recipient country. Therefore, ODA is not used only to unconditionally help developing countries, but also to promote geostrategic interests as well as the political, economic and security goals of a donor country. With the flood of new emerging donors, the altruistic characteristic of ODA is still important, however its function as a foreign policy instrument is at its forefront, serving as a main driving force for providing ODA.

Analysing the role of ODA in Turkey's foreign policy by investigating how it can function as a foreign policy instrument in the Western Balkans provides a new set of insights about contemporary Turkey's development assistance. The analysis showed that since 2013, when Turkey became the most important aid provider among the emerging economies, most of Turkey's recipient countries were either once part of the Ottoman Empire or have important ethno-cultural connections to Turkey; even so, the Western Balkans didn't enjoy the same amount of development assistance as other regions. At any rate, most of the assets were directed to the countries of the Western Balkans in which a strong Muslim community is present, which indicates the compliance between TIKA and Turkey's foreign policy strategy. In addition, since 2004, Turkey also increased its ODA towards areas that had been historically neglected in Turkey's foreign policy, which is a result of Turkish foreign policy orientation.

Moreover, the analysis showed that 50–70% of all the development assistance allocated through TIKA were used for the restoration of residences, bridges, wells, and mosques which are culturally and historically connected with the Ottoman Empire.



This attests that Turkey's foreign policy approach towards the Western Balkans can be understood as a reflection of the existence of geographical, historical, and cultural links, and proves our initial argument that ODA is employed through TIKA as a foreign policy instrument. Moreover, stronger economic relations between Turkey and certain Western Balkans countries, which can be observed after 2007, can also indicate Turkey's direction of ODA towards the region. A growing interdependence between Turkey and certain Western Balkans countries is seen in the increase in trade volume, trade agreements and in the presence of Turkish companies in the region. This clearly shows how ODA can help create a better economic environment in the recipient country. When the allocation of TIKA's assets in a particular country increased, an increase in terms of Turkey's economic involvement in the selected country could also be observed.

While there is an important gap between the lack of figures since 2015 and the new reality in which Turkey exists, we can still argue that TIKA functions as an exclusive platform reserved for the countries with a clear majority of Muslims, even in the case of the Western Balkans. While there are no figures available for Croatia, Montenegro received nowhere near the same amounts as Bosnia and Herzegovina, Kosovo, Albania and Macedonia. Finally, this regional bias in Turkey's ODA distribution, which is also reflected in the distribution of TIKA's offices abroad, must always be examined according to the Prime Minister's priorities, as it seems that there are no formal aid allocation criteria. The only aid allocation criteria are the goals and interests that can be traced on the level of Turkey's foreign policy strategy and on the level of the Prime Minister's political agenda. Even though Turkey's ODA can be characterized as holistic, it also represents an integral part of the country's foreign policy, enjoying the support of the highest national leadership (Hausmann and Lundsgaarde, 2015). Consequently, this makes TIKA an important foreign policy instrument. The systematic planning of ODA allocation to the Western Balkans as a consequence of the Prime Minister's priorities, is the result of ODA being employed as a foreign policy instrument with which Turkey is trying to achieve its foreign policy goals. In that regard, TIKA represents a means



that serves several purposes. Considering that Turkey is a non-DAC member, voluntarily providing ODA, the purpose of its ODA and of TIKA's activities is even more likely to be not only altruistic in its core, but mostly focused on promoting geostrategic interests and achieving its own political, economic and other foreign policy goals. TIKA's activities are therefore driven by a very complex set of historical, political and commercial motivations which (together with considerations about development and poverty) act as a strong foreign policy tool.

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ABSTRACTS

IS THE CYPRUS PROBLEM UNSOLVABLE?- THE GEOPOLITICAL TRAP OF THE WEAKEST STATE

Nicos Panayiotides

The analysis aims to show the difficulties that small, weak and occupied states face in conducting foreign policy, especially when their adversaries are important regional powers. More specifically, it seeks to shed light to their efforts to implement successful grand strategies that will help them solve their protracted conflicts. Using the Cyprus problem as a case study, we attempt to explore the domestic, regional and international factors that prevent the settlement of the conflict. In this regard, we aim to elaborate a new theory of conflict management that upon further research could lead to a new theory of conflict resolution.

Key words: the Cyprus problem, asymmetrical conflict, grand strategy, conflict resolution, neorealism

IJEMS 12 (1): 3 – 32

ENTREPRENEURIAL INNOVATION - KEY TO A SUSTAINABLE AND COMPETITIVE EUROPEAN UNION

Augustin Ignatov

The European Union has experienced weak economic growth during the last decades. This fact undermined its global economic positions, causing the eastward shift of the world's economic gravity centre. Moreover, in the last years, global economic sustainability issues gained prioritised attention since the climate change, and environmental degradation brought humanity near the edge of irreversible collapse. To address these challenges, the European Union's decision-making factors developed progressive strategies and policies to reignite economic growth in a sustainable and durable manner. These directives were aimed to bring to the EU member states additional growth and enhanced entrepreneurial activity. In this context, the present research



evaluates the role of entrepreneurship in augmenting economic and sustainability of the European Union countries during the last years through applying both qualitative and quantitative methods of analysis. The results reached underline that entrepreneurship was a driving force of sustainable economic development; nevertheless, its growth was insufficient to bring an economic breakthrough for the member states. Consequently, it was concluded that the European Union should provide more initiatives for the business by promoting liberal policies and strategies. From this perspective, the present research advocates to strengthen business freedom.

Key words: European Union, entrepreneurship, innovation, sustainability, economic development, liberal economic policies
IJEMS 12 (1): 33 – 68

BLUE ECONOMY IN THE EURO-MEDITERRANEAN: IMPLICATIONS OF THE POLICY PARADIGM

Jerneja Penca

Policy paradigms and related social debates influence the development of policies beyond agenda setting. As the blue economy concept becomes one of the key concerns for the global marine and maritime domain, including in the Euro-Mediterranean region, the question arises as to its significance. This article aims to evaluate the transformational potential of that policy paradigm. To do so, it firstly analyses how the concept of blue economy is interpreted in the regional context, and secondly, it considers the anticipated impacts of blue economy onto other policy priorities, in particular, that of enhanced regional cooperation. The blue economy notion is expected to reinvigorate the discussions on sustainable development in the region and have a harmonising effect on regulation and governance amongst the states. It is also expected to have an incentivising effect on commercial and research ventures, including capacity building of the region's human capital. However, blue economy and its associated financing, institutional setting and the focus on innovation are



unlikely to change the course of improving co-ownership. This remains a challenge for the region.

Key words: Blue economy, blue growth, Union for the Mediterranean, regional cooperation, regional integration, policy paradigm, innovation

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COURT ADJUDICATIONS ON PRE-ELECTION DISPUTES
IN YOUNG DEMOCRACIES: THE IMPACT ON ELECTORAL
MANAGEMENT BODY IN NIGERIA, 1999-2011

Jude Tochukwu Omenma

Over the recent years, the court has increasingly become involved in determining the outcome of electoral competitions. Extant literature is divided on whether the involvement of the court in the electoral process supports or erodes elections with integrity, especially when the judiciary becomes interventionist. Interventionist judiciary, in this sense, means when court decision usurps the powers of EMBs in determining electoral processes and its outcomes. This study establishes that some court decisions over pre-election matters have negative regulations on the conduct of elections in Nigeria, thereby lowering the quality of electoral process. The study adopted a constitutional ethnographic approach, which is the study of the central legal elements of polities using methods that are capable of recovering the lived detail of the politico-legal environment. Data focused on disputed nomination of candidates by parties, the content and substance of 135 pre-elections litigations, and the court decisions in Nigeria. Simple descriptive statistics was used to analysed quantitative data. The study concludes that the manipulation of candidate nomination processes has increased the pre-election litigations and implication for free and fair election.

Key words: Party politics, Intraparty disputes, Nominations of candidates, Electoral management body, Court adjudications, Nigeria
IJEMS 12 (1): 93– 134



INTERCULTURAL ASPECTS OF THE CUSTOMER CARE IN SMALL AND MEDIUM SIZED COMPANIES IN THE EURO-MEDITERRANEAN AREA

Tonino Pencarelli, Linda Gabianelli, Emanuela Conti

The objective of this paper is to investigate the intercultural implications of taking care of foreign customers. In particular the aim of the study are twofold:

- Which is the influence of foreign markets culture on the customer relationship in terms of product features and after-sales services?
- How Italian SMEs perceive the national culture of their foreign customers?

After theoretical review about studies about culture and the intercultural aspects of the customer relationship management, the study illustrates how five firms located in the Euro Mediterranean area and operating in the global market, manage their foreign customers and which are the managerial implications. Results show that each firm changes the way to manage their foreign markets according to the culture of origin of the customers. Regarding the perception of the national culture, it emerges that the interviewed are in general aligned with the Hofstede framework. The study proposes also a conceptual advancement in terms of dimensions to analyse the national culture.

Key words: Internationalization, culture, customer relationship management, product features, after-sale services

IJEMS 12 (1): 135– 166

IS TIKA TURKEY'S PLATFORM FOR DEVELOPMENT COOPERATION OR SOMETHING MORE?: EVIDENCE FROM THE WESTERN BALKANS

Faris Kočan, Jana Arbeiter

This paper explores the role of Official Development Assistance (ODA) in Turkey's foreign policy by looking how it can function



as a foreign policy instrument. With the example of the Western Balkans, a strategic region in the contemporary Turkish foreign policy realm, we will show that Turkey's development cooperation is more than just sharing its own experience, knowledge and comparative advantages of being a recipient, but rather a foreign policy instrument to gain influence. The manifestation of Turkey's ODA can be observed through the activities of the Turkish Cooperation and Coordination Agency (Türk İşbirliği ve Koordinasyon İdaresi Başkanlığı – TİKA), which was established in 1992 with the aim of pursuing the idea of assisting transition economies in Central Asia, Caucasus, and the Balkans. Focusing on the period when Turkey concentrated on the Western Balkans, and having in mind the perception of the latter as one of the biggest aid providers among the emerging economies, we will argue that TİKA, which has a monopoly over Turkey's ODA, is used as an important foreign policy instrument.

Key words: Turkey's Foreign Policy, TİKA, Western Balkans, Development Cooperation, ODA
IJEMS 12 (1): 167–193



RÉSUMÉS

LE PROBLÈME CHYPRIOTE EST-IL INSOLUBLE ? LE PIÈGE GÉOPOLITIQUE DE L'ÉTAT LE PLUS FAIBLE

NICOS PANAYIOTIDES

Cette analyse vise à présenter les difficultés auxquelles sont confrontés les États de petite taille, faibles, et occupés, dans la conduite de politique étrangère, en particulier lorsque leurs adversaires constituent d'importantes puissances régionales. Plus précisément, elle cherche à mettre en lumière les efforts qu'ils déploient pour mener des stratégies globales efficaces en vue de résoudre leurs conflits prolongés. En utilisant le problème chypriote comme étude de cas, nous tentons d'examiner les facteurs nationaux, régionaux et internationaux qui empêchent le règlement de ce conflit. À cet égard, nous cherchons à élaborer une nouvelle théorie de la gestion de conflit qui, à la suite de recherches plus poussées, pourrait déboucher sur une nouvelle théorie de la résolution de conflit.

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Mots-clés: Le problème Chypriote, conflit asymétrique, stratégie globale, résolution de conflit, néoréalisme

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L'INNOVATION ENTREPRENEURIALE, CLÉ D'UNE UNION EUROPÉENNE DURABLE ET COMPÉTITIVE

Augustin Ignatov

L'Union européenne a connu une faible croissance économique au cours des dernières décennies. Cette réalité a affecté ses positions économiques mondiales, provoquant le déplacement vers l'est du centre de gravité de l'économie mondiale. En outre, au cours des dernières années, les questions de durabilité économique mondiale se sont vues accorder une attention prioritaire, puisque le changement climatique et la dégradation de l'environnement ont amené l'humanité au bord de l'effondrement irréversible. Pour relever ces défis, les décideurs de l'Union européenne ont



élaboré des stratégies et des politiques progressistes pour relancer la croissance économique d'une manière durable et rentable. Ces directives visent à apporter aux États membres de l'UE davantage de croissance par une activité entrepreneuriale accrue. Dans ce contexte, la présente étude évalue le rôle de l'esprit d'entreprise dans le renforcement de l'économie et de la durabilité des pays de l'Union européenne au cours des dernières années, en appliquant des méthodes d'analyse aussi bien qualitatives que quantitatives. Les résultats obtenus soulignent que l'esprit d'entreprise est bien un moteur du développement économique durable, mais que sa croissance n'a pas été suffisante pour permettre aux États membres de réaliser une percée économique. En conséquence, il a été conclu que l'Union européenne devrait prendre davantage d'initiatives en faveur des entreprises en promouvant des politiques et des stratégies libérales. De ce point de vue, cette étude préconise de renforcer la liberté d'entreprise.

Mots-clés: Union européenne, entrepreneuriat, innovation, durabilité, développement économique, politiques économiques libérales

IJEMS 12 (1): 33 – 68

L'ÉCONOMIE BLEUE DANS L'ESPACE EURO-MÉDITERRANÉEN: IMPLICATIONS DU PARADIGME POLITIQUE

Jerneja Penca

Les paradigmes politiques et les débats sociaux connexes ont un impact significatif sur l'élaboration des politiques au-delà des programmes établis. Alors que le concept d'économie bleue devient l'une des préoccupations majeures du domaine maritime et marin mondial, y compris dans la région euro-méditerranéenne, se pose la question de son potentiel transformationnel. Pour examiner cela, cet article analyse, d'une part, la façon dont le concept d'économie bleue est interprété dans le contexte régional et, d'autre part, il anticipe les impacts envisageables sur d'autres priorités politiques, en particulier celle du renforcement

de la coopération régionale. La notion d'économie bleue devrait faire progresser le développement durable et avoir un effet d'harmonisation sur la réglementation et la gouvernance entre les États, ainsi qu'un effet incitatif sur les entités commerciales et de recherche, notamment le développement des compétences. Toutefois, l'amélioration de la copropriété demeure un défi pour la région que le financement actuel, le cadre institutionnel et l'accent mis sur l'innovation ne semblent pas traiter.

Mots-clés: Economie bleue, croissance bleue, Union pour la Méditerranée, coopération, intégration régionale, paradigme politique, transfert de politiques
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LES DÉCISIONS JUDICIAIRES SUR LES LITIGES
PRÉÉLECTORAUX DANS LES JEUNES DÉMOCRATIES :
L'IMPACT SUR L'ORGANE DE GESTION DES ÉLECTIONS AU
NIGÉRIA, 1999-2011

Jude Tochukwu Omenma

Au cours des dernières années, le tribunal s'est de plus en plus impliqué dans la détermination des résultats des compétitions électorales. La littérature existante est divisée sur la question de savoir si la participation de la cour au processus électoral soutient ou érode l'intégrité des élections, en particulier lorsque le pouvoir judiciaire devient interventionniste. En ce sens, une magistrature interventionniste, c'est lorsque la décision d'un tribunal usurpe les pouvoirs des organes de gestion des élections dans la détermination des processus électoraux et de leurs résultats. Cette étude établit que certaines décisions des tribunaux sur des questions préélectorales ont une incidence négative sur la conduite des élections au Nigeria, ce qui réduit la qualité du processus électoral. L'étude adopte une approche ethnographique constitutionnelle, c'est-à-dire l'étude des éléments juridiques centraux des politiques à l'aide de méthodes capables de récupérer le détail vécu de l'environnement politico-juridique. Les données portent sur les candidatures contestées par les partis,



le contenu de 135 litiges préélectoraux et les décisions des tribunaux au Nigéria. De simples statistiques descriptives ont été utilisées pour analyser les données quantitatives. L'étude conclut que la manipulation des processus de nomination des candidats a augmenté les litiges préélectoraux et les répercussions sur des élections censées être libres et équitables.

Mots-clés: Politique partisane, différends partisans, nomination de candidats, organe de gestion des élections, décisions judiciaires, Nigéria

IJEMS 12 (1): 93– 134

ASPECTS INTERCULTURELS DU SERVICE CLIENT DANS LES PETITES ET MOYENNES ENTREPRISES DE LA ZONE EURO-MÉDITERRANÉENNE

Tonino Pencarelli, Linda Gabianelli, Emanuela Conti

L'objectif de cet article est d'étudier les enjeux interculturels de la prise en charge des clients étrangers. L'objectif de l'étude est double :

- Quelle est l'influence de la culture des marchés étrangers sur la relation client en termes de caractéristiques des produits et de service après-vente ?
- Comment les PME italiennes perçoivent-elles la culture nationale de leurs clients étrangers ?

Après un examen théorique des études sur la culture et les aspects interculturels de la gestion de la relation client, l'étude illustre comment cinq entreprises situées dans la zone euro-méditerranéenne et opérant sur le marché mondial gèrent leurs clients étrangers et quelles en sont les répercussions managériales. Les résultats montrent que chaque entreprise change sa façon de gérer ses marchés étrangers en fonction de la culture d'origine de ses clients. En ce qui concerne la perception de la culture nationale, il ressort que les personnes interrogées sont en général alignées sur le cadre Hofstede. L'étude propose également une avancée conceptuelle en termes de dimensions pour analyser la culture nationale.



Mots-clés: Internationalisation, culture, gestion de la relation client, caractéristiques de produit, service après-vente
IJEMS 12 (1): 135– 166

LA « TIKA » EST-ELLE LA PLATEFORME TURQUE POUR L'AIDE AU DÉVELOPPEMENT OU PLUS QUE CELA ?
DES ÉLÉMENTS DE RÉPONSE DANS LES BALKANS OCCIDENTAUX

Faris Kočan, Jana Arbeiter

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Cet article se penche sur le rôle de l'aide publique au développement (APD) dans la politique étrangère de la Turquie, en examinant la façon dont elle peut fonctionner comme un instrument de politique étrangère. Avec l'exemple des Balkans occidentaux, une région stratégique dans le domaine contemporain de la politique étrangère turque, nous montrerons que l'aide au développement de la Turquie ne se limite pas à un partage de sa propre expérience, de ses connaissances et de ses avantages comparatifs en tant que bénéficiaire, il s'agit plutôt d'un instrument de politique étrangère pour gagner en influence. La manifestation de l'APD de la Turquie s'observe à travers les activités de l'Agence turque de coopération et de coordination (Türk İşbirliği ve Koordinasyon İdaresi Başkanlığı - TIKA), qui a été créée en 1992 dans le but de venir en soutien aux économies en transition en Asie centrale, au Caucase et dans les Balkans. En se focalisant sur la période pendant laquelle la Turquie s'est concentrée sur les Balkans occidentaux, et en gardant à l'esprit la perception de ces derniers comme l'un des principaux fournisseurs d'aide parmi les économies émergentes, nous affirmerons que la TIKA, qui détient le monopole de l'APD de la Turquie, est utilisée comme un important instrument de politique étrangère.

Mots-clés: Politique étrangère turque, TIKA, Balkans occidentaux, aide au développement, APD
IJEMS 12 (1): 167– 193



POVZETKI

JE CIPRSKI PROBLEM NEREŠLJIV?- GEOPOLITIČNA ZANKA NAJŠIBKEJŠE DRŽAVE

Nicos Panayiotides

Namen pričujoče analize je prikazati omejitve, s katerimi se soočajo majhne, šibke in okupirane države pri izvajanju lastne zunanje politike, zlasti kadar so na nasprotni strani pomembne regionalne sile. Natančneje, cilj analize je osvetlili prizadevanja za implementacijo uspešnih velikih strategij, ki jim bodo v pomoč pri razreševanju dolgotrajnih konfliktov. Z uporabo ciprskega problema kot študijo primera bomo osvetlili domače, regionalne in mednarodne dejavnike, ki preprečujejo razrešitev konflikta. V tem kontekstu vpeljujemo novo teorijo obvladovanja konfliktov, ki bi lahko z nadaljnimi raziskavami privedla do nove teorije razreševanja konfliktov.

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Ključne besede: Ciprski problem, asimetrični konflikt, velika strategija, razreševanje konfliktov, neorealizem
IJEMS 12 (1): 3 – 32

PODJETNIŠKA INOVATIVNOST – KLJUČ DO TRAJNOSTNE IN KONKURENČNE EVROPSKE UNIJE

Augustin Ignatov

Evropska unija (EU) se je v zadnjih desetletjih soočala s šibko gospodarsko rastjo, kar je načelo njen globalni ekonomski položaj in povzročilo globalni gospodarski zasuk na vzhod. Še več, v zadnjih letih so vprašanja svetovne gospodarske vzdržnosti postala vse pomembnejša, saj so podnebne spremembe in degradacija okolja človeštvo pripeljala blizu roba nepopravljivega propada. Za reševanje dotičnih izzivov so izidi procesa odločanja na ravni EU ponudili napredne strategije in politike za ponovno zagon gospodarske rasti, ki bi temeljila na trajnostni in vzdržni rasti, s ciljem zagotavljanja dodatne rasti in podjetniške dejavnosti državam članicam EU. V tem



208 | kontekstu v prispevku avtor ocenjuje vlogo podjetništva pri krepitvi gospodarske in trajnostne rasti v državah članicah EU s pomočjo kvantitativnih in kvalitativnih metod. Rezultati kažejo, da je bilo podjetništvo gonilna sila trajnostnega gospodarskega razvoja, kljub temu pa njena rast ni bila zadostna za gospodarski preboj držav članic, iz česar izhaja splošna ugotovitev, da bi EU morala podjetjem ponuditi več vzpodbud s promoviranjem liberalnih politik in strategij. Zaključki pričujočega dela nakazujejo na potrebo po krepitvi podjetniške svobode.

Ključne besede: Evropska unija, podjetništvo, inovacije, trajnost, gospodarski razvoj, liberalne ekonomske politike
IJEMS 12 (1): 33 – 68

MODRO GOSPODARSTVO V EVRO-SREDOZEMLJU: POSLEDICE POLITIČNE PARADIGME

Jerneja Penca

Politične paradigme in sorodni koncepti vplivajo na razvoj politik poleg njihovega učinka na določanje agende. V času, ko koncept modrega gospodarstva postaja ena ključnih globalnih smeric za upravljanje z morskimi in pomorskimi območji, vključno v Evro-sredozemski regiji, se postavlja vprašanje o njegovem učinku. Namen tega članka je oceniti potencial te politične paradigme za preobrazbo obstoječih politik in odnosov. V ta namen članek najprej analizira vsebino pojma modrega gospodarstva v regionalnem kontekstu, in drugič, obravnava morebitne učinke modrega gospodarstva na druge politične prioritete, zlasti na okrepljeno regionalno sodelovanje. Pričakujemo, da bo paradigma modrega gospodarstva oživila zavezanost k trajnostnemu razvoju v regiji in bo pospešila usklajenost med državami na upravljaljskih in zakonodajnih področjih. Prav tako pričakujemo, da bo spodbudila komercialno in raziskovalno povezovanje v regiji, vključno s krepitvijo zmogljivosti človeškega kapitala. Vendar pa financiranje, institucionalno okolje in osredotočenost na inovacije, ki izvirajo iz modrega gospodarstva, verjetno ne bodo izboljšali



so-lastništva v regiji. To ostaja pomemben izziv v regijskem povezovanju.

Ključne besede: modro gospodarstvo, modra rast, Unija za Sredozemlje, regionalno sodelovanje, regijska integracija, politična paradigma, inovacije
IJEMS 12 (1): 69– 92

SODNE RAZSODBE PREDVOLILNIH SPOROV V MLADIH DEMOKRACIJAH: VPLIV NA ORGAN ZA UPRAVLJANJE VOLITEV V NIGERIJ, 1999–2011

Jude Tochukwu Omenma

V zadnjih letih je sodišče vse pogosteje sodelovalo pri določanju volilnih izidov, zaradi česar se obstoječa literatura na tem področju v zadnjem obdobju intenzivno ukvarja z vprašanjem ali vpetost sodišč v volilni proces bodisi podpira ali spodkopava volilno integriteto zaradi sodniške intervencije. Slednje je v tem kontekstu razumljeno na način, da si sodišče s svojo intervencijo nadvlada pristojnosti organa za upravljanje volitev. Pričujoča študija dokazuje, da imajo nekatere sodne odločbe v zvezi s predvolilnimi zadevami negativne posledice na volitve v Nigeriji, s čimer znižujejo kvaliteto volilnega procesa. Z ustavno-etnografskim pristopom, ki omogoča analizo osrednjih pravnih elementov političnih institucij, v tem primeru ugotavljamo zmožnost obnove pravno-političnega okolja. Študija temelji na 135 sodnih odločbah v Nigeriji v obdobju med leti 1999–2011, s katerimi ugotavljamo sporno imenovanje kandidatov s strani političnih strank. Za analizo kvantitativnih podatkov je bila uporabljena preprosta opisna statistika. Ugotavljamo, da je manipulacija pri postopku imenovanja kandidatov povečala možnost predvolilnih litigacij, s čimer neposredno vplivala na načelo svobodnih in poštenih volitev.

Ključne besede: Strankarska politika, znotrajstrankarski spori, imenovanje kandidatov, Organ za upravljanje z volitvami, sodne odločbe, Nigerija
IJEMS 12 (1): 93– 134



MEDKULTURNI VIDIKI PODPORE STRANK MALIH IN SREDNJE VELIKIH PODJETIJ V EVRO-SREDOZEMSKEM OBMOČJU

Tonino Pencarelli, Linda Gabianelli, Emanuela Conti

Cilj pričujočega članka je raziskati medkulturne posledice skrbi za tuje kupce, in sicer:

- Kakšen je vpliv kulture tujih kupcev na odnos s strankami glede na značilnosti izdelka in prodajne storitve?
- Kako italijanska mala in srednje velika podjetja zaznavajo kulturo tujih kupcev?

Po pregledu literature na temo kulture in medkulturnih vidikov upravljanja odnosov s strankami sledi analiza petih podjetij, ki se nahajajo v Evro-sredozemskem območju in delujejo na globalnem trgu, upravljajo s tujimi trgi v oziru kulturnega ozadja kupcev. Glede na razumevanje nacionalne kulture je razvidno, da so intervjuvanci v splošnem v skladu s Hofstedejevim modelom, zaradi česar študija na zaključku predlaga konceptualni napredek v kontekstu dimenzij za analizo nacionalnih kultur.

Ključne besede: Internacionalizacija, kultura, upravljanje odnosov s strankami, značilnost izdelka, prodajne storitve
IJEMS 12 (1): 35– 166

ALI JE TIKA PLATFORMA TURČIJE ZA RAZVOJNO SODELOVANJE ALI KAJ VEČ?: DOKAZI IZ ZAHODNEGA BALKANA

Faris Kočan, Jana Arbeiter

Pričujoči članek raziskuje vlogo uradne razvojne pomoči (Official Development Assistance – ODA) v turški zunanji politiki s ciljem ugotavljanja, ali je razvojna pomoč lahko sredstvo zunanje politike. Na primeru Zahodnega Balkana, strateškega območja za sodobno turško zunanjepolitično realnost, bomo pokazali, da ni razvojno sodelovanje Turčije zgolj deljenje lastnih izkušenj, znanja in primerjalnih prednosti kot prejemnica, temveč predvsem kot sredstvo za pridobivanje vpliva. Manifestacijo turške

URP je mogoče spremljati preko aktivnosti Turške agencije za razvoj in koordinacijo (Türk İşbirliği ve Koordinasyon İdaresi Başkanlığı – TİKA), ki je bila ustanovljena leta 1992 z namenom, da nudi pomoč tranzicijskim gospodarstvom v srednji Aziji, na Kavkazu in Balkanu. S poudarkom na obdobju, ko se je Turčija osredotočila na Zahodni Balkan, in ob razumevanju Turčije kot ene največjih donatoric razvojne pomoči med državami v razvoju, trdimo, da je TİKA, ki ima monopol nad turško ODA, uporabljena kot pomembno sredstvo zunanje politike.

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Ključne besede: Turška zunanja politika, TİKA, Zahodni Balkan, razvojno sodelovanje, ODA
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ملخصات

هل مشكلة قبرص غير قابلة للحل؟ - الفخ الجغرافي السياسي للدولة السيئة

نيكوس بانايوتيداس

يهدف التحليل إلى إظهار الصعوبات التي تواجهها الدول الصغيرة والضعيفة والمحتلة في إدارة السياسة الخارجية ، خاصة عندما يكون خصوصها قوى إقليمية مهمة. وبشكل أكثر تحديداً ، يسعى إلى تسليط الضوء على جهودهم لتنفيذ الاستراتيجيات الكبرى الناجحة التي ستساعدهم على حل نزاعاتهم الطويلة. باستخدام مشكلة قبرص كدراسة حالة نحاول استكشاف العوامل المحلية والإقليمية والدولية التي تمنع تسوية النزاع. في هذا الصدد ، نهدف إلى تطوير نظرية جديدة لإدارة الصراع والتي يمكن أن تؤدي بمزيد من البحث إلى نظرية جديدة لحل النزاع

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الكلمات المفتاحية: مشكلة قبرص ، الصراع غير المتكافئ ، الإستراتيجية الكبرى ، حل النزاع ، الواقعية

الابتكار التجريبي - مفتاح إلى اتحاد أوروبي مستدام وتنافسي

أوغسطين إيجنتونوف

شهد الاتحاد الأوروبي نمواً اقتصادياً ضعيفاً خلال العقود الماضية. هذه الحقيقة قوضت مواقعها الاقتصادية العالمية ، مما تسبب في التحول نحو الشرق من مركز الثقل الاقتصادي في العالم. علاوة على ذلك ، في السنوات الأخيرة ، اكتسبت قضايا الاستدامة الاقتصادية العالمية اهتماماً ذا أولوية منذ تغير المناخ ، وأدى التدهور البيئي إلى اقتراب البشرية من حافة الانهيار الذي لا رجعة فيه. لمواجهة هذه التحديات ، وضع الاتحاد الأوروبي استراتيجيات وسياسات تقدمية لإعادة إشاعة النمو الاقتصادي بطريقة مستدامة ودائمة. كانت هذه التوجهات تهدف إلى تحقيق نمو إضافي وتعزيز النشاط الريادي إلى الدول الأعضاء في الاتحاد الأوروبي. في هذا السياق يقيم هذا البحث دور زيادة الأعمال في زيادة الاستدامة الاقتصادية لدول الاتحاد الأوروبي خلال السنوات الأخيرة من خلال تطبيق أساليب التحليل النوعي والكمي. تؤكد النتائج التي تم التوصل إليها أن زيادة الأعمال كانت قوة دافعة للتنمية الاقتصادية المستدامة ؛ ومع ذلك فإن نموها لم يكن كافياً لتحقيق اختراق اقتصادي للدول الأعضاء. وبالتالي تم التوصل إلى أن الاتحاد الأوروبي ينبغي أن يقدم المزيد من المبادرات لرجال الأعمال من خلال تعزيز السياسات والاستراتيجيات الليبرالية. من هذا المنظور يدعو البحث الحالي إلى تعزيز حرية الأعمال

الكلمات المفتاحية: الاتحاد الأوروبي ، زيادة الأعمال ، الابتكار ، الاستدامة ، التنمية الاقتصادية ، السياسات الاقتصادية الليبرالية

الاقتصاد الأزرق في منطقة الأورو- متوسط : تداعيات نموذج السياسة

يرنيا بنسا

تؤثر نماذج السياسات والمناقشات الاجتماعية ذات الصلة على تطوير سياسات تتجاوز وضع جدول الأعمال. نظراً لأن مفهوم الاقتصاد الأزرق أصبح أحد الشواغل الرئيسية للمجال البحري العالمي بما في ذلك في المنطقة الأورو-متوسطية ، فإن السؤال الذي يطرح نفسه هو أهميته. يهدف هذا المقال إلى تقييم الإمكانيات التحويلية لنموذج السياسة هذا. وللقيام بذلك يقوم أولاً بتحليل كيفية تفسير مفهوم الاقتصاد الأزرق في السياق الإقليمي ، وثانياً دراسة التأثيرات المتوقعة للاقتصاد الأزرق على أولويات السياسة الأخرى على وجه الخصوص مفهوم التعاون الإقليمي المعزز. من المتوقع أن تحمل فكرة الاقتصاد الأزرق على تنشيط المناقشات حول التنمية المستدامة في المنطقة وأن يكون لها تأثير متسق على التنظيم والحكم بين الولايات. ومن المتوقع أيضاً أن يكون لها تأثير تحفيزي على المشاريع التجارية والبحثية بما في ذلك بناء القدرات في رأس المال البشري في المنطقة. ومع ذلك فمن غير المرجح أن يغير الاقتصاد الأزرق والتمويل المرتبط به والإعداد المؤسسي والتركيز على الابتكار مسار تحسين الملكية المشتركة، هذا لا يزال يمثل تحدياً للمنطقة.

الكلمات المفتاحية: الاقتصاد الأزرق ، النمو الأزرق ، الاتحاد من أجل المتوسط ، التعاون الإقليمي ، التكامل الإقليمي ، نموذج السياسات ، الابتكار



أحكام المحكمة بشأن نزاعات ما قبل الانتخابات في الديمقراطيات الشابة: التأثير على هيئة الإدارة الانتخابية في نيجيريا ، 1999-2011 جود توكيكو أومينما

خلال السنوات الأخيرة ، أصبحت المحكمة تشارك بشكل متزايد في تحديد نتائج المسابقات الانتخابية. تنقسم الأدبيات الموجودة حول ما إذا كانت مشاركة المحكمة في العملية الانتخابية تدعم أو تضعف الانتخابات بنزاهة ، لا سيما عندما يصبح القضاء تدخلًا. القضاء التدخل ، بهذا المعنى ، يعني عندما يستغل قرار المحكمة صلاحيات هيئة الإدارة الانتخابية في تحديد العمليات الانتخابية ونتائجها. تثبت هذه الدراسة أن بعض قرارات المحاكم المتعلقة بمسائل ما قبل الانتخابات لها لوائح سلبية بشأن إجراء الانتخابات في نيجيريا ، مما يقلل من جودة العملية الانتخابية. اعتمدت الدراسة منهجًا إثنوغرافيًا دستوريًا ، وهو دراسة العناصر القانونية المركزية للسياسات باستخدام طرق قادرة على استعادة التفاصيل الحية للبيئة السياسية القانونية. ركزت البيانات على الترشيح المتنازع عليه من قبل الأحزاب ، ومضمون ومحتوى 135 دعوة قبل الانتخابات ، وقرارات المحكمة في نيجيريا. تم استخدام الإحصاء الوصفي البسيط لتحليل البيانات الكمية. تخلص الدراسة إلى أن التلاعب بعمليات ترشيح المرشحين قد زاد من الدعوى والتأثيرات السابقة للانتخابات على الانتخابات الحرة والنزيهة.

الكلمات المفتاحية: سياسة الحزب ، نزاعات داخل الحزب ، ترشيحات المرشحين ، هيئة إدارة الانتخابات ، قرارات المحكمة ، نيجيريا

الجوانب متعددة الثقافات للعناية بالعملاء في الشركات الصغيرة والمتوسطة الحجم في المنطقة الأورو-متوسطية تونيونو بينكاريلي وليندا غابيانيلي وإيمانويلا كونتي

الهدف من هذه الورقة هو استكشاف الآثار بين الثقافات لرعاية العملاء الأجانب. على وجه الخصوص ، هدف الدراسة ذو شقين:
1. ما هو تأثير ثقافة الأسواق الخارجية على علاقة العملاء من حيث ميزات المنتج وخدمات ما بعد البيع؟
2. كيف ترى الشركات الصغيرة والمتوسطة الإيطالية الثقافة الوطنية لعملائها الأجانب؟
بعد المراجعة النظرية حول الدراسات المتعلقة بالثقافة والجوانب متعددة الثقافات لإدارة علاقات العملاء ، توضح الدراسة كيف تعمل خمس شركات في منطقة الأورو-متوسط وتعمل في السوق العالمية ، وتدير عملائها الأجانب وما هي الآثار الإدارية. تظهر النتائج أن كل شركة تغير طريقة إدارة أسواقها الأجنبية وفقًا لثقافة منشأ العملاء. فيما يتعلق بتصور الثقافة الوطنية ، يتبين أن الذين تمت مقابلتهم يمتاثرون بشكل عام مع إطار هوفستد. تقترح الدراسة أيضًا تقدمًا مفاهيميًا من حيث الأبعاد لتحليل الثقافة الوطنية.

الكلمات المفتاحية: التدويل ، الثقافة ، إدارة علاقات العملاء ، ميزات المنتج ، خدمات ما بعد البيع



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