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Abstract: The effectiveness of NATO conditionality for institutional reforms is highly controversial. Some papers argue that any effect this conditionality might have had may be due to endogeneity effects, i.e. NATO may have picked the winners. We argue that this is not the case. First, NATO-Mazedonia relations provide a case in point. Macedonia was granted entry into the Membership Action Plan (MAP) in 1999 due to country's strategic importance. Only after the Ohrid agreement, effective conditionality set in and marked a switch in NATO strategy from security only towards institution building. Second, this is supported by econometric evidence based on panel data. An event study reveals that entry into NATO's accession process was mainly driven by neighbourhood and good relations with the West. We conclude that empirical evidence clearly supports a stronger role of NATO's political agenda, i.e., low entry barriers but strict accession conditionality.

Keywords: International Organization, European Integration, Institutional Development, Accession Incentives, Regional Security.

JEL classification: F52, F53, F59

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1 Introduction

Debates on the transformative power of NATO accession seem to agree on indirect effect from peace building (Rupnik 2000; Gibler and Sewell 2006) which helped to consolidate democratic efforts (Angelov 2004; Epstein 2005; Jurekovic et al. 1999; Waterman et al. 2001). Only recently, Melnykovska and Schweickert (2009) argued in favour of a direct conditionality effect of NATO accession on institution building in transition countries.[1] Gawrich et al. (2010, Appendix 2), Schweickert et al. (2011), and Melnykovska and Schweickert (2011) provide robust empirical evidence on a positive impact of NATO pre-accession conditionality. While this is consistent with the argument that NATO enlargement was driven by strategic interest in the first place, some authors deny any contribution of NATO to the process of democratization claiming that NATO integrated countries which were reforming anyway (see, e.g., Reiter 2001).

We claim that, at least initially, strategic interest clearly dominated the demand for institutional reform and that, therefore, any impact of NATO conditionality on institutional reform was not predetermined by NATO picking the winners of the transition process. We provide evidence for this assumption in two steps. In Section 2, we analyse the case of Macedonia looking into NATO cooperation before and after the Ohrid agreement, which marked a turning point for both EU and NATO cooperation. Section 3 gives the results from an event study based on panel data for 25 transition countries revealing that the case of Macedonia is rather the rule than an exception. Entry into MAP seems to be dominated by closeness to the West as well as by NATO enlargement in the neighbourhood. Section 4 has

[1] The formalization of NATO's accession conditionality took place after the first round of enlargement by the introduction of a mechanism called Membership Action Plan (MAP) approved at NATO's Washington Summit in 1999. A country's participation in MAP entails the fulfillment of five different groups of criteria. Four groups deal with organization, resources, safeguards, and compatibility. This "NATO acquis" focuses on the potential of (military) cooperation between the accession country and NATO. However, the fifth group of criteria demands for the willingness to settle international, ethnic or external territorial disputes by peaceful means, to commit to the rule of law and human rights, to provide democratic control of the armed forces, and to establish market regulations for the defense and security sectors.

the conclusions.

2 Switching strategy – Macedonia's NATO cooperation before and after Ohrid

Since independence, integration into NATO was among the priorities of all Macedonian governments. In order to suppress the inter-ethnic conflict and to secure its independence, Macedonia enforced its integration into NATO as soon as this option became available. In 1995, Macedonia joined the program 'Partnership for Peace' (PfP). In such a way, it also committed to full acceptance of NATO's values and standards.

In reality, the cooperation concentrated primarily on military issues (Yusufi 2000). In 1995, Macedonia supported the Peace Plan for Bosnia-Herzegovina by allowing the transit of IFOR (International Fellowship of Reconciliation) forces through Macedonia's territory. In 1996, the Partnership Status of the Forces Agreement (SOFA) was signed. In 1998**,** in the course of the conflict resolution in Kosovo, a NATO Kosovoverification Mission was established in northern Macedonia. In the same year the Basic Agreement for operation of NATO missions in Macedonia was signed.

NATO's strategy was to ensure Macedonia's cooperation on its operations in the Balkans and to stabilise the country, but without approaching the underlying potential for inter-ethnic conflict and poor institutional quality. As a reward for cooperation, NATO enhanced the PfP-Cooperation with Macedonia 'as one element of the Alliance's overall approach to the crisis in Kosovo' (NATO 1998). Furthermore, to smooth fears among the Macedonian population concerning possible spillovers from Kosovo, NATO declared the security of Macedonia to be a direct and material concern to the Alliance (Dimitrov 2006). This was highly valuable in a situation when UNPREDEP, the United Nations military mission at Macedonia's northern frontier, had to leave the country after the People's Republic of China had vetoed its

prolongation (Eiff 2007).

Finally, NATO allowed Macedonia to enter MAP in 1999, although little progress has been made concerning compliance with the core demands for institutional reforms in the defence and security sectors under the framework of the PfP. The Macedonian elite were well aware of NATO's strategic interests. Macedonian leadership expected a NATO membership perspective as a reward for concessions in military cooperation. The expectations were based on the presumption that NATO was so concerned about the success of its operation in the Balkans and the country's security that it would let Macedonia in, despite not complying with the criteria for admission. The deployment of the NATO troops was thus perceived as a very important 'achievement' of the Macedonian government. It was a kind of *de facto* international recognition and confirmation of its international existence that should ensure fast integration into NATO (Vankovska 2001).

Similarly, the population expected granting NATO MAP and a perspective of NATO membership in exchange for the public acceptance of NATO missions using Macedonian territory. NATO was perceived as *the* guarantor of peace (Gligorov 2006). The Albanian minority also supported the PfP initiatives as it saw the international presence as a safeguard against any government policy of repression (Atanasov 2006a). However, the decision on NATO missions in Macedonia was not a result of any broad based public decision and the public consensus remained very fragile. As soon as civil war was imported from Kosovo, NATO was blamed for the destabilization of the country and public attitude to NATO became negative (Vankovska 2001).

Institutional development was especially poor in the four areas (also relevant for NATO accession conditionality) (Yusufi 2004):

Failed integration of minorities. The Macedonian state de-legitimized the idea of an ethnically neutral, citizen-based, liberal state, especially among a large Albanian majority (Hislope 2002). The Macedonian leaders failed to establish communications among all ethnic

groups. The party system was based on ethnic cleavages. The political elite profited from the existence of ethnic divide, and were not interested in its elimination. Furthermore, ethnic cleavages were combined with informal practices of patronage.

Failed civil and democratic control. Due to institutional gaps und the lack of clarity in the existing legislation, the formal constitutional and law provisions were often undermined in practice. The civilian control of the military and the national security system was hardly democratic, i.e. exercised by both the executive and the legislative.[2] The civilian control became 'personalised' and was exercised by the president in the first place. Despite a strong constitutional position of the Assembly, arrangements of legislative oversight did not exist (Boonstra 2005).

Lacking transparency and democratic accountability. The activities of security and defence authorities were not open to public; civil personnel in the defence and security sectors was highly politicized and accountable to a political party rather than to the public. The lack of transparency allowed for the creation of paramilitary forces controlled by the Minister of the Interior, who was involved in the violation of human rights. The under-regulation and the lack of transparency encouraged speculation and scepticism about state governance and state capacities in the society that suffered from economic recession and finally undermined legitimacy of the political elite.[3]

Corruption and misallocation. As a consequence of politization and patronage, corruption in the defence and security sectors was wide-spread. The non-transparent conversion of military property became another source of corruption,[4] security and military staffs became involved in organised crime such as smuggling and trafficking of arms, drugs, and people and

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[2] The main reason for discrepancy between formal institutions and practice were strong contacts between the army and the dominant political force – the VMRO-DPMNE (see Drent et al. 2001)

[3] In October 2000, a UNDP Brima-Gallup poll found that 62.2% of the respondents did not trust the parliament, 58.1%, the government, 61%, the attorney general, 59.6%, the courts, 62.3%, the banks, and 51.3% the police.

[4] E.g., In April 2001, the media reported that Paunovski, the VMRO-DPMNE defence minister, had funnelled around $5 million in defence contracts to companies owned by his relatives.

was engaged in widespread abuses. Parties used ministerial portfolios for patronage and material benefits and were often regarded as 'sultanistic' (Muhic 2001). Overall, the Macedonian state itself encompassed a thoroughly corrupt set of institutions that has 'stymied democratic development and alienated ordinary citizens' (Hislope 2002). Furthermore, the financial resources were misallocated. Instead of being directed to modernization and professionalization of the army, more than 50% of the defence budget was spent for personnel costs.

All in all, before 2001, NATO only had a strategic interest in establishing Macedonia as a hub for its operations in the Balkan and did not care much about the stalemate concerning institutional reforms as long as ethnic tensions were under control. Peaceful coexistence between ethnic Macedonians and Albania was based on power-sharing, which did not solve the underlying inter-ethnic tensions and was therefore fragile (Clément 1997). Since NATO air strikes in Kosovo 1999, Macedonia appeared to be in an extremely vulnerable frontline position, facing a huge influx of refugees and teetering on the brink of economic collapse (ICG 1999). Finally, the spark of interethnic tensions was transmitted from Kosovo to Macedonia and the peace was broken.

Both, the fact that the Kosovo crisis spilled over to Macedonia and that the still poor institutional quality became evident finally triggered a switch in NATO's strategy towards Macedonia. Four elements of the NATO response to the crisis became central for 'turning Macedonia around':

First, as a necessary short-term response, NATO intensified its military presence and launched short-term peacekeeping operations in Macedonia ('Essential Harvest', 'Amber Fox', and 'Allied Harmony').

Second, jointly with the EU and the UN, NATO pressed the main ethnic Albanian and Macedonian parties to sign the Ohrid Framework Agreement (Ohrid Agreement 2001). This agreement introduced constitutional changes and made far-reaching institutional reforms

possible. According to this agreement, the Macedonian and Albanian leadership agreed to keep peace under five principles: to reject the usage of violence for political purposes; to secure Macedonia's sovereignty and the unitary character; to ensure a multi-ethnic character of the Macedonian society; to guarantee a constitution that meets the basic needs of all citizens in accordance with international standards; and to develop local self-government that encourages the participation of the citizens in democratic life and promotes respect for the identity of communities. In such a way, the agreement marked out the road for further development of the Macedonian multi-ethnic democratic system by confirming the unitary character of the country.

Third, NATO integrated the provisions of the Ohrid Framework Agreement into the MAP process for membership. The reference to the Ohrid demands can be found in official documents relevant for NATO accession, e.g., in the Annual National Programmes for Macedonia. Thus, there is clear evidence that the Ohrid Framework Agreement was de-facto included in NATO accession conditionality. In 2005, e.g., the NATO Parliamentary Assembly stated that '…Reform of the armed forces is not the only criteria for obtaining NATO membership. Other more political factors are important as well. In particular, the FYR of Macedonia must focus on promotion of judicial reform and fully implement the 2001 Ohrid Agreement. The FYR of Macedonia needs to show that it possesses both stable institutions and a sound legal system' (NATO Parliamentary Assembly 2005).[5]

Fourth, to make its demands on institutional reforms more credible, NATO applied the tool of punishment. Macedonia was not among the seven countries that were invited to NATO's membership at the Prague Summit in 2002. There might be a few alternative explanations for this. The official reason given was that Macedonia failed to be invited to join NATO due to a

[5] In the same vein, UK Parliament's Committee on Foreign Affairs concludes that "…Macedonia's membership in NATO is desirable but that rigorous standards for entry must apply; Skopje must fulfil all the terms of the Ohrid Framework Agreement" (UK Parliament 2005).

name dispute with Greece (ICG 2002). While this is certainly true, NATO partners might have put up more pressure on Greece to agree or to negotiate a compromise on this formal issue.

Another argument would be that the inter-ethnic conflict might have increased the costs of Macedonia's accession and thus overweight the strategic benefits resulting from having Macedonia as a NATO member. In the same vein, Macedonia might have been left out because of the poor institutional quality that caused the inter-ethnic conflict in 2001. The assessment of 'the readiness for NATO membership' claimed that Macedonia fell below the threshold of accession in both political and economic criteria and thus was not adequately prepared for NATO membership (Drent et al. 2001). If this is true, it is clear evidence for the switch in NATO's strategy towards stronger emphasis on institutional reforms which did not came 'by design' but due to the circumstances in 2001 that reveal the negative effects of poor institutions. However, if this argument should be taken seriously, it is difficult to understand why, e.g., Albania could enter NATO in 2009.[6]

Undeniably, the role of NATO in the Ohrid agreement was central.[7] Macedonia's 'oasis of peace' (compared to neighbouring countries) would have been impossible to keep without the 'protectorate' of NATO that prevented the inter-ethnic conflict from spreading (Atanasov 2006b; Chivvis 2008). NATO's peacekeeping operations and the Ohrid framework Agreement were primarily implemented in order to stop the armed conflicts and establish a stable security environment. However, the effects of these short-term engagements on institutional quality would be minimal or maybe even controversial without NATO accession process as a long-term mechanism of cooperation. While MAP conditionality until 2001 did

[6] Although NATO declared that Albania meets alliance standards with regard to democracy and the reform of its military, the Freedom House still ranks Albania as 'partly free' and reported about extended corruption.

[7] This argument does not deny the role of the EU in this process. Indeed, Ohrid was the precondition for the EU to engage in a Stabilisation and Association Agreement (SAA). However, as argued by Gibler and Sewell (2006), any broad based and sustainable institutional development is hardly achievable in an environment of conflict or war. In this respect, NATO was the international organization which could actually deliver.

only pay 'lip service' to demands for institutional development as a precondition for NATO membership, NATO seems to have learned about its own leverage on institutional development in Macedonia when playing the 'accession card'.

3 Is NATO choosing the good guys – an event study on strategy vs. reform

In order to assess the determinants of entry into NATO MAP for transition countries in general, we conduct a quantitative analysis on the basis of a panel data set of 25 transition economies observed from 1992 to 2008. For each country, we collected the data that represent the degree of fulfilment of the requirement demanded by NATO and the strategic importance of these countries for the EU and the USA. Most of our variables are time varying. As a model framework, we use a version of a Cox proportional hazard duration model. In our context, the event to be analyzed is the 'success' in entering NATO MAP. Expressed in a different way, we model the duration until a MAP is granted[8]. The interpretation of the hazard rate $h(t)$ is then the probability that a MAP is granted in year t conditional upon this has not been the case in the years before.

In our case the standard Cox model has to be modified for tied events, i.e. if the assumption of only one event per time does not hold.[9] This is true in our case, as we assume 1997 as the year when Poland, Czech Republic and Hungary start a formalised accession process. Nine MAPs were signed in 1999 for Estonia, Latvia, Lithuania, Slovak Republic,

[8] For Czech Republic, Hungary and Poland no NATO MAP was set up. In order to deal with this fact in our empirical analysis, we assume the beginning of a formalised accession process with NATO's official invitation to join the organisation. This was made in the Madrid Declaration in 1997.

[9] In general, we carry out our analysis using the Stata software package. We use the Efron approximation method to account for tied events. According to Box-Steffensmeier and Jones (2004) the Efron approximation is more exact in case of many tied events than the Stata standard option of Breslow approximation. We also test the proportionality assumption using the Grambsch and Therneau (1994) test statistic and find no evidence that this assumption is violated in our analysis.

Slovenia, Albania and Macedonia. Later, enlargement proceeded in single steps. The MAP was granted to Croatia in 2002 and, more recently and not yet covered by the data, to Montenegro in late 2009.[10]

We group the explanatory variables into strategic factors which capture international relations and institutional factors which matter for MAP conditionality (Table I). As *international relations* we consider proximity to NATO countries, basically the EU and the US as the two main power groups within the NATO. We took the voting history in the UN General Assembly as an indication of closeness to either the US or Russia (***unvotes_us***, ***unvotes_rus***). In the case of the EU, we considered both political integration (***eu_agreement***) and trade relations (***eu_trade***). In addition, neighbourhood effects are accounted for by a time-varying neighbourhood dummy accounting for previous NATO enlargements (***nbr***) and a time-invariant dummy for belonging to the Western community, i.e. being a potential NATO member (***west_christ***). We assume that these variables capture the strategic interest in enlargement on both sides.

[Table I about here]

As an alternative explanation we include variables from *MAP conditionality*, which, to some extent, are also formulated in pre-accession cooperation. Of course, there are strong limitations to the quantification of conditionality in this case. We assumed that military expenditure (***mil_exp***) is a good proxy for fulfilling demands on military issues while democratic and economic reforms proxy for demands on institutional reforms. With respect to economic reforms, we formed two aggregates of indicators published by the European Bank for Reconstruction and Development (EBRD) which consider liberalization and restructuring respectively. Additionally, we provide information on the performance of single EBRD

[10] Unfortunately, data for 2010, the first year of Montenegro's full membership in MAP, is not available but would be needed in order to cover this last event in MAP accession appropriately. This is why we restrict our analysis the period 1992 to 2008.

indicators. While ***ec_lib*** is an aggregation of the indicators for price and trade liberalization, ***ec_res*** rather accounts for NATO conditionality by aggregating price liberalization and large scale privatization which is at the heart of reform of the defence industry. With respect to democratic reforms, we use ***freedom_h***, an aggregate of the Freedom House indicators on political rights and civil liberties. If NATO did not pick winners, i.e. countries which fulfilled the accession criteria even before entry in the the accession process, these indicators should remain insignificant.

Table II presents the results on the impact of international relations. The baseline model explains entry into MAP by voting with the US, integration into the EU, and NATO enlargement in the neighbourhood (column 1). The hazard ratios are given as percentage changes based on point estimates for the coefficients.[11] The percentage change in the 'hazard' of being granted a MAP at any time *t* for a country whose vote matches in the UN General Assembly differ by 1 percent from the rest of the countries and which has the same values for all other independent variables is 27 percent. Note that, except for the dummy variables, we rescaled all variables to a [0,100] interval. Unit changes can then be interpreted as percentage changes. This is not true for a unit change in a dummy variable as the variable ***nbr***: The percentage change in the hazard of being granted a MAP at any time *t* for a country whose neighbour is granted a MAP or becomes a NATO member (unit change in ***nbr***) and which has the same values for all other independent variables is 352 percent, i.e. it is 2.5 times higher than otherwise.

[Table II about here]

As can be concluded from Table II, other variables measuring international relations do not

[11] Positive coefficients imply increasing the hazard rates. Hence, positive coefficients imply shorter survival times - which in our setup means earlier offer of a NATO MAP. The estimated vector of coefficients β of the time varying covariates can be interpreted as the change in the log-hazard ratio for observations having a unit change in the value of the covariate at time *t* compared to the value of the covariate for the remaining observations in the risk set at time *t*. However, in our regression results we also show the percentage changes in the hazard ratios for a more accessible interpretation.

add additional explanatory power to the regression. Obviously, it is less important to vote against Russia than to vote with the US as revealed by the insignificance of the coefficient of ***unvotes_rus***. At the same time, ***eu_trade*** is rather a substitute for the ***eu_agreement*** variable and ***west_christ*** remains insignificant.

Consequently, we proceed by using the baseline model as our starting point adding variables which account for a potential impact of institutional conditionality for entry into MAP. As can be seen in Table III, the results are rather mixed. Political freedom and military expenditure do not provide explanations for NATO accession. This is in line with the assumption that NATO does not require any convergence before a country is invited to enter the accession process. More specifically, it points at the exogeneity of the entry decision with respect to political institutional reforms.

[Table III about here]

The results for economic reforms are somewhat different. Both ***ec_lib*** and ***ec_res*** are significant independent of whether they are used as complements or substitutes for the ***eu_agreement*** variable. This would be consistent with the assumption that economic reforms path the way into both EU and NATO. Appendix Table AI provides a more detailed picture by considering the single EBRD indicators. Five out of nine indicators reveal positive coefficients. However, only two indicators – price liberalization and large-scale privatization – provide explanations which go along with still significant coefficients for eu_agreement. Taken together with the results from Table III, it might be possible that some economic reforms, which allow a restructuring of the defence industry, ease the decision for entry into NATO MAP which has an independent element not accounted for in EU integration.

Overall, however, it seems that entry into NATO MAP is rather independent from foregoing institutional reforms but rather depends on strategic factors, i.e. good relations with NATO member countries and especially with the US. Also, being a NATO neighbour country increases the probability of an early NATO MAP as this allows territorial integrity of the

NATO area in case of enlargement. This supports the assumption that NATO MAP effects on institutional quality are indeed exogenous. As we have argued above, Macedonia provides a case in point.

4 Conclusions

All in all, the empirical evidence suggests that NATO did not pick winners in terms of institutional reforms when deciding on entering into accession negotiations. Granting MAP was rather driven by good relations with either the EU or the USA or by neighbouring other accession countries. As an exception, some economic reforms on restructuring of the defence industry, which are not incorporated into the EU accession process, accelerate the decision for entry into NATO MAP. At the same time political freedom and military expenditure do not provide significant explanations for NATO accession. Hence, the impact of NATO MAP on institutional quality in post-socialist countries is rather exogenous and not blurred by the entry into MAP being determined by foregoing reforms.

Macedonia provides a case in point. Before the inter-ethnic tension of 2001, NATO followed its strategic interests to secure cooperation of the Macedonian governments in NATO's operation in the Balkans, It granted Macedonia entry into MAP and overlooked the poor institutional quality in the country, even in NATO-relevant defence and security sectors. The inter-ethnic conflict in 2001 highlighted the importance of institutional quality for a sustainable peace and development. As a reaction, NATO launched short-term peacekeeping operations and assisted in the Ohrid Framework Agreement which focused on re-building institutions. This implied that NATO switched its strategy from security only towards institution building and began to stress demands on institutional reforms in political and economic dimensions of its cooperation with Macedonia.

Hence, NATO clearly has a strong leverage on institutional reforms in potential member

countries, a fact that supports the strengthening of its political agenda. This could be provided by a combination of minimum requirements for entry into MAP, say the basics of military compatibility and democratic governance, and a strict application of institutional conditionality for determining the entry into NATO.

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Tables

Table I. Overview of Variable Specifications and Data Sources

	Description	Source
International Relations		
unvotes_us	share of country's vote matches with US in UN General Assembly	Erik Voeten and Adis Merdzanovic, "United Nations General Assembly Voting Data", own calculations
unvotes_rus	share of country's vote matches with Russia in UN	see above
eu_agreement	Categorial variable indicating the level of cooperation with EU. 0 = no cooperation; 100 = membership	EU Agreement Database, own calculations
eu_trade	exports plus imports to/from EU15, as share of GDP	IMF Directions of Trade CD-ROM, own calculations
nbr	Dummy variable equals 1 for all years following setting up a NATO MAP or NATO membership in a neighbouring country	NATO website, own calculations
west_christ	Dominance of protestant or catholic Christianity (=1, otherwise 0).	CIA World Factbook online, own calculations
MAP conditionality		
freedom_h	Average of Political Rights and Civil Liberties indicators published by Freedom House. 100 = best	Freedomhouse website, own calculations
mil_exp	military expenditure, share of GDP	WDI / Stockholm International Peace Research Institute
ec_lib	Average of ec_price_lib and ec_trade_forex (see below)	EBRD website, own calculations
ec_res	Average of ec_price_lib and ec_ls_priv (see below)	EBRD website, own calculations
ec_gov_entp_restruc	Enterprise restructuring	EBRD single transition indicator, EBRD website
ec_ls_priv	Large scale privatisation	EBRD single transition indicator, EBRD website
ec_sc_priv	Small scale privatization	EBRD single transition indicator, EBRD website
ec_price_lib	Price liberalisation	EBRD single transition indicator, EBRD website
ec_trade_forex	Trade & Forex system	EBRD single transition indicator, EBRD website
ec_compet_pol	Competition Policy	EBRD single transition indicator, EBRD website
ec_bank_reform	Banking reform & interest rate liberalisation	EBRD single transition indicator, EBRD website
ec_sec_markets	Securities markets & non-bank financial institutions	EBRD single transition indicator, EBRD website
ec_infrastr	Overall infrastructure reform	EBRD single transition indicator, EBRD website

Table II. Cox Model of NATO Accession and International Relations, 1992 – 2008

unvotes_us	0.24 **	0.23 **	0.23 **	0.21 *		0.25 ***	0.15 *
	(0.11)	(0.11)	(0.11)	(0.11)		(0.09)	(0.09)
	27%	26%	26%	23%		28%	16%
eu_agreement	0.03 ***	0.03 ***	0.03 *	0.03 *	0.05 ***		0.03 **
	(0.01)	(0.01)	(0.02)	(0.02)	(0.01)		(0.02)
	3%	4%	3%	3%	5%	0%	4%
nbr	1.51 **	1.56 **	1.35 *	1.54 **	1.28 *	1.41 **	
	(0.73)	(0.75)	(0.74)	(0.71)	(0.70)	(0.71)	
	352%	374%	286%	365%	259%	308%	
unvotes_rus		-0.03			-0.09		
		(0.08)			(0.08)		
		-3%			-8%		
eu_trade			0.01			0.04 **	
			(0.02)			(0.02)	
			1%			4%	
west_christ				0.68			0.57
				(0.70)			(0.72)
				98%			76%
N	207	207	196	207	207	201	207
Log-Likelihood	-23.38	-23.32	-23.16	-22.87	-25.98	-25.25	-25.34
Grambsch Therneau	0.54	0.68	1.10	0.58	0.62	0.92	0.70
Degrees of Freedom	3	4	4	4	3	3	3
R2 Pseudo	0.38	0.38	0.39	0.40	0.31	0.33	0.33
R2 Cox Snell	0.13	0.13	0.14	0.13	0.11	0.12	0.11
R2 Nagelkerke	0.43	0.43	0.43	0.44	0.35	0.37	0.37
R2 Royston	0.83	0.83	0.84	0.84	0.76	0.78	0.78

Notes: Standard errors of coefficients put in parentheses; hazard ratios as percentages;
*** p<0.01, ** p<0.05, *p<0.10; all exogenous variables are averaged over lags of 2 to 4 years.
Source: See Table 1; own calcuations.

Table III. Cox Model of NATO Accession and MAP conditionality, 1992 – 2008

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
unvotes_us	0.24 **	0.24 **	0.29 **	0.25 *	0.29 **	0.33 ***	0.36 ***
	(0.11)	(0.11)	(0.14)	(0.14)	(0.13)	(0.12)	(0.12)
	27%	27%	33%	29%	33%	39%	44%
eu_agreement	0.03 ***	0.01	0.04 **	0.02	0.02		
	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)		
	3%	1%	4%	2%	2%		
nbr	1.51 **	0.93	1.35 *	2.06 **	2.22 ***	2.06 **	2.51 ***
	(0.73)	(0.77)	(0.79)	(0.82)	(0.82)	(0.82)	(0.82)
	352%						
freedom_h		0.03					
		(0.02)					
		4%					
mil_exp			0.01				
			(0.31)				
			1%				
ec_lib				0.13 *		0.13 *	
				(0.08)		(0.07)	
				14%		14%	
ec_res					0.06 **		0.08 ***
					(0.03)		(0.03)
					6%		9%
N	207	196	165	207	207	215	215
Log-Likelihood	-23.38	-20.62	-19.08	-19.61	-20.84	-20.11	-21.99
Grambsch Therneau	0.54	1.04	1.85	0.83	0.41	0.57	0.48
Degrees of Freedom	3	4	4	4	4	3	3
R2 Pseudo	0.38	0.40	0.43	0.48	0.45	0.47	0.42
R2 Cox Snell	0.13	0.13	0.16	0.16	0.15	0.15	0.14
R2 Nagelkerke	0.43	0.45	0.48	0.53	0.49	0.51	0.46
R2 Royston	0.83	0.85	0.86	0.90	0.88	0.90	0.86

Notes: Standard errors of coefficients put in parentheses; hazard ratios as percentages;
*** p<0.01, ** p<0.05, *p<0.10; all exogenous variables are averaged over lags of 2 to 4 years.
Source: See Table 1; own calcuations.

Appendix

Table A1. Cox Model of NATO Accession and EBRD Single Indices, 1992 – 2008

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
unvotes_us	0.24 **	0.26 **	0.24 **	0.21 *	0.30 **	0.29 *	0.23 **	0.23 *	0.23 **	0.22 **
	(0.11)	(0.12)	(0.12)	(0.11)	(0.13)	(0.15)	(0.11)	(0.13)	(0.11)	(0.11)
	27%	30%	27%	23%	34%	33%	26%	26%	26%	25%
eu_agreement	0.03 ***	0.02 *	0.03 *	0.02	0.03 *	0.01	0.03 *	0.01	0.03 *	0.02
	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
	3%	3%	3%	2%	3%	1%	3%	1%	3%	2%
nbr	1.51 **	1.83 **	1.35 *	1.51 **	2.82 ***	1.08	1.54 **	1.40 **	1.48 **	1.76 **
	(0.73)	(0.75)	(0.70)	(0.70)	(1.05)	(0.72)	(0.74)	(0.70)	(0.73)	(0.75)
	352%	521%	287%	353%	1573%	196%	366%	304%	337%	482%
ec_ls_priv		0.03 *								
		(0.02)								
		3%								
ec_sc_priv			0.03							
			(0.02)							
			3%							
ec_gov_entp_restruc				0.05 *						
				(0.03)						
				5%						
ec_price_lib					0.09 *					
					(0.05)					
					9%					
ec_trade_forex						0.07				
						(0.04)				
						7%				
ec_compet_pol							0.01			
							(0.02)			
							1%			
ec_bank_reform								0.06 **		
								(0.03)		
								6%		
ec_sec_markets									0.01	
									(0.03)	
									1%	
ec_infrastr										0.06 *
										(0.03)
										6%
N	207	207	207	207	207	207	207	207	207	207
Log-Likelihood	-23.38	-21.77	-21.82	-21.41	-20.53	-20.64	-23.26	-20.77	-23.34	-21.18
Grambsch Therneau	0.54	0.47	0.51	0.26	0.51	0.61	0.92	0.54	0.67	0.62
Degrees of Freedom	3	4	4	4	4	4	4	4	4	4
R2 Pseudo	0.38	0.42	0.42	0.43	0.46	0.45	0.38	0.45	0.38	0.44
R2 Cox Snell	0.13	0.14	0.14	0.15	0.15	0.15	0.13	0.15	0.13	0.15
R2 Nagelkerke	0.43	0.47	0.47	0.48	0.50	0.50	0.43	0.50	0.43	0.49
R2 Royston	0.83	0.87	0.87	0.87	0.89	0.89	0.84	0.89	0.83	0.88

Notes: Standard errors of coefficients put in parentheses; hazard ratios as percentages;
*** p<0.01, ** p<0.05, *p<0.10; all exogenous variables are averaged over lags of 2 to 4 years.
Source: See Table 1; own calcuations.