UKRAINE WITHIN THE CONTEXT OF THE CARPATHIAN EUROREGION

Tatiana Shaban
University of VICTORIA
11 June 2015
Current State of the CE

- **Beginning**: 14 of February 1993 – Debrecen, as a political initiative supported by Ministries of International Affairs of the Republic of Poland, Hungary and Ukraine.

- **Territory**: The Carpathian Euroregion comprises 19 administrative units of five countries from Central and East Europe, which are Poland, Slovakia, Hungary, Romania and Ukraine. Its total area is about 154,000 km² and it is inhabited by approximately 16 million people.

- **Mission**: The Carpathian Euroregion was designed to bring together the people who inhabit the region of the Carpathian Mountains and to facilitate their cooperation in the fields of science, culture, education, trade, tourism and economy.

- **Objectives**: to facilitate of social, economic, scientific, ecological, educational, cultural and sport cooperation; lobby support of the implementation of cross-border projects, cooperation on mutual basis with national institutions and organisations.
Current State of the CE

Members:


Poland: Subcarpathian Voivodeship,

Romania: Bihar county, Botoșani county, Hargita county, Máramaros county, Suceava county, Szatmár county, Szilágy county.

Slovakia: Eperjes (Prešov) region, Kassa (Kosice) region.

Ukraine: Cernivci region, Ivano-Frankivski region, Subcarpathian region, Lviv region.
Carpathian Euroregion
Question

What would the Ukrainian border provinces look like in the absence of the CBC policy/projects?
Causal Inference Problem

What would the Ukrainian border province look like in the absence of the Cross-Border cooperation?

Idea is to construct a synthetic Ukrainian border province as a convex combination of other provinces (based on a series of qualitative information).

Synthetic Control Method
Outcomes of interest

• Public opinion (attitudes towards EU?)
• Economic development
• Corruption
• Civils society activity
• …
Example

What would West German GDP look like in the absence of reunification?

Abadie et al. 2014 (AJPS)

Source: Abadie et al. 2014
How did West German GDP look like compared to rest of OECD?

**Figure 1** Trends in Per Capita GDP: West Germany versus Rest of the OECD

Reunification provides a much better comparison for West Germany than the average of our sample of other OECD countries. The synthetic West Germany is very similar to the actual West Germany in terms of pre-1990 per capita GDP, trade openness, schooling, investment rate, and industry share. Compared to the average of the OECD countries, the synthetic West Germany also matches West Germany much closer on the inflation rate. Because West Germany had the lowest inflation rate in the sample during the prereunification years, this variable cannot be perfectly fitted using a combination of the comparison countries. Figure 1 shows that before the German reunification, West Germany and the OECD average experienced different paths in per capita GDP. However, in the next section, we will show that a synthetic control can accurately reproduce the pre-1990 per capita GDP path for West Germany.

One of the central points of this article is that the synthetic control method provides the qualitative researcher with a quantitative tool to select or validate comparison units. In our analysis, Austria, the United States, Japan, Switzerland, and the Netherlands emerge, in this order, as potential comparisons to West Germany. Regression analysis fails to provide such a list. In a regression analysis, typically all units contribute to the regression fit, and the contribution of units with large positive regression weights may be counterbalanced by the contributions of units with negative weights. In this example, the synthetic control involves a combination of five countries. Below we show how researchers can construct, if desired, synthetic controls that use a smaller number of countries.

**Source:** Abadie et al. 2014
Compare to Synthetic Control: West German GDP in the absence of reunification

Source: Abadie et al. 2014
Synthetic Control Method

# SWOT analysis

<table>
<thead>
<tr>
<th></th>
<th>Helpful To achieving the objective</th>
<th>Harmful To achieving the objective</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Internal origin</strong></td>
<td>Strengths</td>
<td>Weaknesses</td>
</tr>
<tr>
<td><strong>External origin</strong></td>
<td>Opportunities</td>
<td>Threats</td>
</tr>
</tbody>
</table>
EU Instruments and Budgetary Support

• Multilateral and Bilateral Institutional Arrangements. Association Agreement, including a DCFTA.

• Civil society networks: The EaP Civil Society Forum.

• Parliamentary networks in the EU external governance: the case of InterParliamentary cooperation in “Euronest”.
EU Instruments and Budgetary Support

• The EU programme of financial and technical cooperation supports Ukraine’s ambitious reform agenda. More than 250 projects are currently being carried out across a wide-range of sectors, regions and cities in Ukraine.

• EU funding for projects in Ukraine is provided in the form of grants, contracts and budget support.
Hungary-Slovakia-Romania-Ukraine ENPI Cross-Border Cooperation Programme
To Conclude

• Regional and local authorities, including the police and security forces as well as a wide range of representatives of civil society have to build trust in governance.

• EU can help combine all those dimensions needed for change.
Domestic context matters