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Do Democracy Clauses Matter? The Effects of Regional Integration Associations on Political Stability and Democratic Consolidation

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Abstract

This paper examines the mechanisms by which democracy clauses promote democracy and domestic political stability. It begins by noting that political instability in one country can have a negative spillover and impede the economic success of regional integration. Domestic political instability may also hinder cooperation among member states. Thus, domestic political stability is a collective good for regional integration organization (RIO) member states. Legalizing democratic conditionality helps member states to overcome collective action problems and equips RIOs with the necessary credibility, justification, and tools for intervention in member states' domestic political affairs. In addition, RIOs deepen economic integration among member states, which in turn raises the stakes for the member states to collectively defend democratic institutions and inflates the costs of sanctions for countries under threat. We test the main arguments using data gathered for 40 RIOs in the world. The econometric analyses of RIO coup rates and democratic backsliding rates demonstrate that democracy clauses are indeed effective in preventing coups and backsliding within countries that are members of RIOs with such clauses. Moreover, an analysis of democratic gains indicates that democracy clauses are also effective in the promotion of democracy within RIO member states.

Keywords

Regional Integration, Power Preponderance, Coups, Democratization

Introduction*

This paper examines how democracy clauses that are found in regional integration organizations (RIOs) treaties and treaty protocols promote domestic political stability and democratic consolidation. RIOs are organizations that are established primarily to promote regional economic prosperity by opening the member states' respective economies to one another. They are more than preferential trade agreements since they incorporate a degree of decision making structure, have regular meetings of member state representatives, and are multilateral. RIOs, like other international organizations, are the products of state interests, and their success depends on how states overcome cooperation problems (Koremenos et al. 2004; Hawkins et al. 2006; Pollack 2003). Member states create and implement treaties and protocols in order to modify their own behavior (Abbott and Snidal 1998; Garrett et al. 1998). Through these actions, organizations can lock in a set of procedures that they believe will produce desired outcomes.

Our study examines one, and an increasingly popular, method by which RIOs promote domestic political stability, democratization, and democratic consolidation. Over the last few decades, many RIOs have implemented democratic conditionality as a condition for membership (Closa 2013). We argue that democracy clauses are effective in securing domestic political stability and promoting democratic deepening because they increase the transparency and the credibility of democratic commitment and sanctions, which in turn foster the development of the norms of democracy and associated behavioral change among actors.

We begin by explaining the RIOs' need for democratization and democratic consolidation by pointing out that the positive economic effects of regional integration are more likely when there is political stability in a region. In order to decrease the negative spillover of a member state's domestic political instability, various RIOs have implemented provisions designed to reduce threats to democratic institutions and promote democratic consolidation. We then discuss why a formal, codified democracy clause is important. A formal democracy clause establishes a set of credible collective commitments among member states and signals to domestic autocrats that costs of anti-democratic actions will be enormous. While it is possible for an international organization to implement positive and negative incentives without having a legalized democratic conditionality, democracy clauses in regional integration organizations are uniquely effective. On one hand, legalizing democratic conditionality helps overcome collective action problems, increase the transparency and the credibility of democratic commitment, and decrease uncertainty regarding the consequences of breaking the constitutional order. On the other hand, economic integration both raises the magnitude of the spillover effects of domestic political instability in a member state, which increases the stakes for the member states to collectively defend democratic institutions, and inflates the costs of sanctions for countries under threat. Hence, members to an RIO need a democracy clause to further the goals of integration.

We empirically examine our claims by conducting econometric analyses that include 40 regional integration organizations around the world since the 1960s. Our analyses strongly indicate that legalized democratic conditionality is indeed effective in preventing democratic backsliding and promoting domestic political stability and democratic deepening. Moreover, democracy clauses are especially effective in reducing political instability and backsliding when the democratic commitments of RIO leader-countries may not be strong.

* This paper is based on Genna and Hiroi (2015) *Regional Integration and Democratic Conditionality: How Democracy Clauses Help Democratic Consolidation and Deepening*.

Political Risk and Regional Integration

The liberal economic approach predicts that countries are better off if they integrate. Free and integrated markets increase efficiency and promote economic growth through economies of scale and production factor mobility (Krugman and Obstfeld 2008). Yet, these processes and outcomes implicitly assume a politically stable environment. Political stability, whether among or within states, signals to economic actors that political risks of their investments are low. Economic actors seek secure property rights and transparency and predictability in government actions (North and Weingast 1989). Political violence will destroy productive assets and exert a significant toll on human capital. Political instability reduces the economic potential not only of the country in question but also of its economic partners.

The reduction in economic welfare of RIO partners caused by political instability of a member state is an instance of a negative spillover, as the lack of cooperation in one issue area (political stability of a member state) impedes cooperation in another issue area (economic welfare of all RIO member states). Moreover, the negative spillover may not be contained to the economic sphere. Political instability may also produce negative political and social repercussions in its neighboring countries, as political phenomena, including regime change and conflict, tend to diffuse geographically (Gleditsch and Ward 2006). Johnson and Urpelainen (2012) argue that the anticipation of negative spillovers is more likely to produce integration than positive spillovers because of the need to mitigate their effects in order to protect cooperation in other areas. To safeguard against negative spillovers associated with domestic political instability, states attempt to create an environment that fosters democratic consolidation.

The success of regional integration relies on a reasonable amount of certainty that favorable, stable conditions will continue in the future. Economic actors, foreign and domestic, are less likely to invest in countries where risk to investment is high due to political violence, abrupt policy changes, arbitrary government actions, and the like. Conversely, domestic political stability will reduce uncertainty and facilitate economic transactions. By maintaining domestic political stability, states can thus promote economic growth. States can supply domestic political stability individually, or they can do so by cooperating regionally.

Take, for example, the case of the Association for Southeast Asian Nations (ASEAN). Over the last several years, one member state, Thailand, has undergone considerable political unrest. The country has experienced 19 coups since ending its absolute monarchy in 1932.¹ One of the most recent military coups occurred in 2006 against the elected government of Prime Minister Thaksin Shinawatra. Since then, the country has remained deeply divided between the pro- and anti-Thaksin forces. In January 2014, the government of Prime Minister Yingluck Shinawatra, Thaksin's sister, imposed emergency rule in Bangkok and surrounding areas. Foreign investors in Thailand became concerned with the unrest, especially in the automotive assembly sector, causing capital flight and currency depreciation.² In addition, by January 2014 new investment showed signs of waiting out the current turmoil.³ The regional importance of a stable Thai economy cannot be understated given that 75 percent of the country's GDP comes from the export sector, with half of exports heading to other ASEAN countries.⁴ Approximately 15.8 percent of all ASEAN trade in 2012 was with Thailand, making it the third most important economy after Singapore and Malaysia. Escalating civil unrest, a government takeover by the Thai opposition that was calling for an undemocratic "peoples council," and the possibility at first, and then the actual military coup against the Thai government, all created uncertainties and

¹ According to The Australian (January 17, 2014), there had been 18 coups by January 2014. Since the article was published, the Thai military launched another coup in May 22, 2014.

² See The Globe and Mail (January 11 and January 6, 2014)

³ Wall Street Journal, January 8, 2014

⁴ The Globe and Mail, January 6, 2014

significantly raised costs of doing business there, which may force more ASEAN investors to abandon their operations. Political instability would also cause disruptions in other economic activities externally and within Thailand. This would leave many ASEAN economies worse off.

However, the short-term negative effect would not be the sole cost of this political instability. Investor confidence in Thailand particularly, and in the ASEAN more generally, would crumble as political instability today cast doubt about future political stability. Although it is in the interest of the ASEAN member states to develop conditions that improve investor confidence and trade flows by reducing their country risks, the member states have long held a non-interference policy, and neither does the RIO have a democracy clause in its charter.

Domestic political stability is therefore a collective good among economically interdependent regional neighbors. Since irregular changes in a country's political makeup can have ripple effects not only on the country's economy but also on the regional economy, it is in the interest of all members to secure stable conditions by promoting and defending domestic political stability and democracy.

One question that arises is why RIOs would use democratic conditionality of membership as a unique way to solve the political stability dilemma. Three points are relevant. The first involves the role similar values, preferences, and institutions play in the process of developing regional integration. Another is a rationalist explanation about why democratic regimes facilitate domestic political stability. The last involves the desire of incumbent leaders to preserve their *status quo*.

Neofunctionalists have long argued that there are a number of "background conditions" that promote integration, one of which is the similarity of values among the political elite (Haas and Schmitter 1964). Elite values are important because they are transmitted into the RIO agreements. Each elite will come into the negotiation with a set of values, and agreement comes about when their preferences converge. Therefore, similar elite values promote greater integration because there is much more room for agreement. Heterogeneous values among the elites may still produce treaties, but they will be limited in scope because there would be more disagreement than agreement. Put in another way, when political actors have divergent preferences, the "winset" of the status quo (i.e., the set of alternative policies that can defeat the status quo) decreases, thereby reducing the scope for policy innovation. When the elites representing their countries hold a belief that democracy is the best form of government, democratic conditionality, as a solution to the political stability dilemma, would be more likely since they carry these values into the negotiations. Prior studies have also shown that states with similar intuitions are more likely to produce integration (Feng and Genna 2002), giving an incentive to align the configurations of the member states' domestic institutions along the line of democracy.

In addition, consolidating democratic institutions is an effective way to secure domestic political stability. Democracy's main features—free press, transparency, and access to the policymaking process—reduce asymmetry in information that produces uncertainty and improves the predictability of policy. Regularly held free, fair, and competitive elections are also important because they offer a regularized constitutional channel to replace leaders and policy. Without regularly held competitive elections, domestic actors may resort to unconstitutional means, such as coups, to realize their political objectives (Hiroi and Omori 2013). In democratic systems, losers in elections will accept the electoral outcomes because their loss is not permanent; they have a chance to win in future elections (Przeworski 1991). Thus, democracy is a system that promotes long-term political stability by institutionalizing uncertainty of outcomes, which gives incentives for not only the winners of a particular election but also the losers to invest in the future.

The third point pays attention to alternative motivations for certain leaders to use democracy clauses to preserve their positions of power. Quasi-democratic leaders may see such clauses as a means to preserve political stability, and consequently their hold on power, because it is a deterrence against irregular regime change. Democracy clauses require that leaders leave or assume power through elections. Any forced change, such as a coup, would invoke RIO action against the

aggressors. Therefore, if leaders acquired power through undemocratic means before the time of the democracy clause, the only legal way to replace political leaders would be through a free and fair election. In sum, democracy clauses serve as a means to safeguard political leaders from irregular and violent changes in the leadership.

Promoting Democratization and Democratic Consolidation through Legal Democratic Conditionality

In the last section, we discussed why there is a demand for domestic political stability at the regional level. If parties to a regional integration organization are to reap the fruit of integration, political stability is necessary. In addition, if the economic benefits of integration rely on region-wide political stability, then political instability in one or more member states may induce regional economic problems because economies have become more interdependent as a result of integration. Democratic consolidation provides politically favorable conditions for economic transactions and production for all the RIO members by reducing the likelihood of domestic political instability and unconstitutional political change. Thus, stable democracy is a collective good for the members of an RIO. However, the delivery of a collective good requires overcoming collective action problems.

Collective Action Problems and Credibility of Commitment and Enforcement

If domestic political stability and democracy are collective goods, they face collective action problems (Olson 1965). Collective action problems occur when uncoordinated actions of each player acting in an individualistically rational manner produce sub-optimal outcomes for everyone involved. Even if democratic consolidation of all member states is a collective good for the RIO members, left uncoordinated and unscripted, their commitment may lack credibility. Credibility problems may still occur even if the RIO members declare their collective commitment to democracy. In the end, political leaders do not welcome threats to their rule, but coups still happen. Most leaders denounce use of violence to achieve political objectives, but violence has been a staple of politics in many countries. Although most countries in the world today have proclaimed their adherence to democratic principles,⁵ many of them are far from being democratic, or else suffer threats to their democratic institutions. Thus, simply declaring their commitments is not sufficient to make their collective commitment unambiguous and credible.

Legalizing democratic conditionality can render the much needed credibility and transparency to an RIO's collective commitment to democracy. As argued in the literature on international regimes, international institutions help cope with problems that are difficult to manage at the national level by producing constraining or inducement effects on member states (Keohane 1984). Institutions change actors' behavior by making international commitments more credible through increasing transparency, enforcement of cooperation, promotion of issue-linkages, and strategies of reciprocity (Axelrod and Keohane 1986; Martin 1992; Simmons 2000). These mechanisms provide member states with expectations about each other's behavior and working relationships (Keohane 1983; Keohane et al. 2009) and precedents around which actors' behaviors converge (Garrett and Weingast 1993).

Thus, based on the institutional logic, a formal democratic conditionality enshrined in a treaty or treaty protocol helps overcome collective action problems, makes coordinated effort possible and likely, and delivers the message of the collective commitment to all international and domestic actors. An adoption of a democracy clause in a regional treaty formally commits member states to the

⁵ In fact, 106 countries, *both democratic and undemocratic*, are signatories to the Warsaw Declaration, "Toward a Community of Democracies," established in 2000 to advance democratic norms and deepen democracy worldwide. See the Council for a Community of Democracies' website (<http://www.ccd21.org/about/index.html>) for the list of the signatories and the goals of the council.

principles and institutions of democracy (Closa 2013). Formal protocols of procedures that institutionalize collective commitment to democracy tend to address the actions taken in the case of a wayward member state, reducing coordination problems among the other member states. On the other hand, not acting on a violation of the treaty or treaty protocol risks discrediting other treaty provisions, and perhaps the entire organization. Thus, by making the collective commitment in a legal document, the partners of an RIO have raised the stakes that they have collectively in defending democracy. In other words, they have increased the credibility of collective democratic commitment by tying their hands.

In addition to the stakes raised by making the democracy requirement a legal obligation, RIOs, by molding preferences and perceptions of their participants, may create environments strongly hostile to undemocratic practices (Koehane 1988; Pevehouse 2002, 2005). As economic interdependence increases, RIOs' member states become more cognizant of the risks associated with irregular political changes and therefore develop norms that move away from non-interventionist values toward ones that will value interfering in the maintenance of the constitutional order.

One may question if the legalization of the collective commitment to democracy is really necessary to bolster its credibility and transparency. Our contention is that informal commitments to democracy by individual member states, or even collectively, may not be enough; formalization of the commitment to democracy and the constitutional order is necessary to make the commitments credible. In an important study, for example, Pevehouse (2002) argues that "democratic density," or the average level of democracy within a regional international organization (regional IO), influences democratic consolidation of its member states. Democratic density can be thought of as a form of informal commitment to democracy. According to Pevehouse, regional IOs with high democratic density provide domestic democratic reformers the means to credibly signal domestic groups that renegeing on commitments to democracy will be costly. However, the author did not find a statistically significant effect of democratic density, although his analysis indicates that joining a highly democratic IO has a statistically significant effect on the duration of democracy. Pevehouse's null finding may have resulted from two factors, both of which influence credible commitments.

First, as discussed above, a democracy clause in a treaty formalizes, and thus makes transparent, the member states' commitments to democracy. Extensive deliberations and negotiations precede the adoption of new treaties and treaty provisions. The institutionalized collective commitment facilitates the detection of violations by the participants. Moreover, breach of formal agreements in one area may have negative consequences in other areas of RIO cooperation (Fang and Owen 2011). Consequently, an organization that embodies a formalized collective commitment to democracy is likely to have a stronger stake in enforcing the provision than in a case where there is no such formalized commitment. Not acting on violations threatens not only the credibility of its democratic commitment but also that of the entire organization. Members know this, and thus the credibility of commitment and enforcement is stronger.

Second, there are different types of regional IOs, and these differences critically affect the credibility and severity of sanctions. Even though many international organizations can signal, threaten, or even impose sanctions for rule breaking (Pevehouse 2002), RIOs are more effective in demonstrating political will and capacity (McCoy 2006) than other types of regional IOs, such as security organizations like the North Atlantic Treaty Organization and the Organization for American States, because the stakes of not enforcing the rules are higher. Political and economic instability go hand in hand and are contagious across national boundaries. A member state's domestic political instability will harm the well-being of other members precisely because of the economic interdependence produced by an RIO. Therefore, RIOs are more likely to act and intervene in member states' domestic affairs.

Differentiating these two factors—legalized from informal conditionality, and regional integration organizations from other types of international organizations—may also account for the inconclusive

findings by Poast and Urpelainen (2015) with respect to international organizations' effects on democratic backsliding. The authors argue that international organizations can help member states consolidate their democracies, but are unable to prevent authoritarian reversals. Although their argument may seem to contradict our proposition regarding democratic backsliding, it is not necessarily so. First, as the authors and other scholars fully acknowledge, the possibility of coups and other threats to democracy is almost nil in consolidated democracies. Hence, if international organizations promote democratic consolidation, they effectively prevent authoritarian reversals.⁶ Second, Poast and Urpelainen's primary interest is in the number of new international organizations that countries join, rather than the types of organizations and their formalized commitments to democracy, which is our focus. However, as we have pointed out, these differences are crucial in understanding international organizations' effectiveness in defending and promoting democracy.

Democratic Conditionality, Democratization, and the Costs of Sanctions

The effectiveness of democracy clauses in promoting democracy and consolidation depends upon the transparency of collective commitment, credibility of enforcement, costs of sanctions, reputational costs, and resulting behavioral change in the domestic actors. Although any international, inter-governmental organizations can adopt a democracy clause, almost all regional organizations that have legalized democratic conditionality in their treaties are regional integration organizations.⁷ In this section, we examine the role of positive incentives and the costs of sanctions used to deter autocratic behavior.

To be effective, the democracy clause must increase the costs of anti-democratic behavior by the domestic autocrats to the point where the costs outweigh the benefits. An RIO can tip the scale to disfavor anti-democratic measures by increasing both the costs for such actions and the benefits of remaining or becoming democratic. In other words, RIO democracy clauses change the calculus of autocrats: an RIO can send signals to autocrats that their plans are not worth the effort.

An international organization can better ensure a country's credible commitment when the political costs of defection are high (Simmons and Danner 2010). In particular, "audience costs" (Fearon 1997), or the political costs of renegeing on the RIO democratic commitment, need to increase for the potential domestic autocrats. The audience cost is the total negative reaction of all groups who have a stake in the country's democratic stability. The audience costs would be generated by domestic constituencies and the RIO partners. The more the autocrats antagonize the audience by their actions, the higher the cost of these actions. Once costs exceed a certain threshold, it is not worth engaging in anti-democratic behavior.

The formalization of the democracy requirement also ties the hands of those that would serve punitive measures against the autocrats. By promising punitive action against anti-democratic activity, those that renege on punitive measures may incur audience costs from their own voters and the member states that wish to enact sanctions (Lohmann 2003). Thus, a democracy clause raises the costs of anti-democratic behavior at the national level and fosters a regional environment where all actors are locked into the exclusive use of democratic methods to pursue their goals.

The specific costs of anti-democratic behavior are closely related to the degree to which the said country is integrated with the remainder of the RIO member states. Since regional integration produces more interdependent and integrated economies, sanctions, such as loss of investments, trade, and subsidies, are more costly for violators and thus more effective. On the other hand, in other types

⁶ In addition, it is not clear how international organizations can promote democratic consolidation without preventing coups and authoritarian reversals.

⁷ The Organization of American States is an example of a non-integration inter-governmental organization that has adopted a democracy clause.

of international organizations, due to much lower levels of economic integration, *ceteris paribus*, sanctions should not be as costly as, and thus less effective than, in the case of RIOS.

One of the potential sanctions for the violation of formal democratic conditionality is RIO membership suspension or expulsion. The cost of renegeing on a democracy clause, and therefore that of ejection from the organization, largely depends on the value of the membership with the RIO. The more integrated the country's economy is with the other RIO member states, the more costly to have its membership revoked or suspended. Membership suspension would cause a significant curtailing of economic activity and thereby reduce the country's economic welfare. The country would be closed off to trade, investment, and financial transactions with its close economic partners. The RIO's declaration of the sanctions would make domestic actors aware of the punishments and their impacts. Expected or actual welfare loss would weaken the position and legitimacy of the autocrats' coalition and boost those of democrats. Membership suspension would therefore encourage domestic democrats to challenge the autocrats. Hence, the prospect for RIOS to cut ties with the offending member state will likely deter anti-democratic behavior.

Maintaining RIO membership also has another benefit, namely, regional assistance, which would help promote a democratic order in the member states. RIO member states often aid economically troubled partners by granting financial assistance, easing any remaining trade restrictions, providing short-term economic aid, assisting in policy restructuring, and furnishing the political cover for needed reforms. Access to these varieties of assistance is often the initial cause for young democracies to join these organizations, thus inducing democratization and democratic deepening (Pridham 1995; Mansfield and Pevehouse 2006). In addition to inducing democratization and deepening, regional assistance can be used to maintain political stability in a troubled country. By providing a series of assistance to troubled countries, the RIO can boost domestic incumbents' prospects for political survival by diffusing grievances and preventing rebellion against the political leaders during times of economic crises and austerity. On the other hand, the loss of these benefits would antagonize domestic constituents.

For example, the EU has adopted an array of policies and funds to promote economic growth in lesser developed member states. The EU spends approximately one third of its budget to support areas hit by high unemployment and have per capita GDPs that are less than 90 percent of the EU average (Van Oudenaren 2005). Its aim is to improve human capital and physical infrastructure so that poorer areas can take advantage of economic integration. These policies and funds were strong incentives for the Eastern European countries to consolidate their democracies. The Brazilian assistance to the partners of the Common Market of the South (MERCOSUR) serves as another example. The Brazilian government has often allowed the use of its national development bank as a vehicle to extend credits or otherwise facilitate economic transactions among MERCOSUR partners, even those transactions that do not involve Brazilian firms. Brazil, acting as the leader of MERCOSUR countries, has used these programs both as carrot and stick to help preserve democracy in Paraguay during the times of political crises.

The presence of a democracy clause in an RIO treaty adds further constraints on domestic actors from taking anti-democratic measures. Signing onto such a provision is a formal and public commitment to democracy, and renegeing on the public commitment causes significant harm to the reputation of the country and its political leaders (Tomz 2007; Bird and Rowlands 2007; Maggi 1999). Future negotiations within the RIO will hinge on how well they were able to abide by current rules. The value of future promises will be partially determined by how past promises were kept, and democratic breakdown can cast a very long, and very costly, shadow of the future. Political leaders also care about their personal reputation and prestige of their country, and being sanctioned is a public humiliation that they would prefer to avoid. Thus, democracy clauses also raise reputational costs of renegeing on the commitment to democracy.

Empirical Analyses

This section undertakes empirical analyses of the effectiveness of democracy clauses in preventing coups and democratic backsliding, as well as promoting democratization and democratic deepening. We first analyze the onset of coups in RIO member states. We define a coup as a forceful seizure of executive power by the use or threat of force by members of the ruling elites (Hiroi and Omori 2014). It is an overt violation of the constitutional order, and democracy clauses are in place to prevent particularly this form of irregular political change.

It is important to examine threats to the constitutional order, such as coups, that existing ratings of regime change may not always capture. For example, commonly used polity ratings to measure countries on a democracy-autocracy continuum are assigned by evaluating regime authority components as of December 31 of each year (Marshall, Gurr, and Jaggers 2013). If a coup or other threats to the constitutional order arise during a year but a democracy is restored by the end of the year, the coding does not reflect these political events. Nonetheless, coups, even if they are ultimately defeated, cause major political disruptions and create uncertainties regarding the government's ability to rule orderly and effectively. Thus, coups are a major cause for concern among the countries seeking to integrate under a regional integration organization. Moreover, consolidation of democracy requires that all political actors abide by the democratic rules of competition and access to power (Linz and Stepan 2001). Attempts to seize power through coups signal the existence of political actors close to power that negate the democratic rules of competition and access to power. Hence, coups, even failed attempts, are a great concern to both domestic political leaders and the RIO partners seeking to consolidate the country's democracy.

The dependent variable for this analysis is the annual RIO coup rate, and the unit of analysis is RIO-year. An RIO is an organization made up of two or more regional states which seek to facilitate economic transaction, includes a secretariat, and has regular meetings among political leaders. An annual RIO coup rate is the average rate at which each individual member of an RIO experiences a coup attempt, and thus captures a coup risk that individual members of an RIO face in a given year. It is calculated by taking the number of coups that occurred in RIO member states in a given year and dividing it by the number of the total membership. Our data include all attempted coups, regardless of whether they were successful or not. However, our data do not include coup plots and rumors since reports regarding plots and rumors are notoriously incomplete and often inaccurate. Our data also exclude those instances often called "*autogolpes* (self-coups)" in which sitting chief executives forcefully seek extra-constitutional powers. Our analysis primarily utilizes data compiled by Marshall and Marshall (2013). For a robustness check, we also estimated the same model using Powell and Thyne's (2011) coup data. Since our data have a cross-section time-series format, the analysis includes a lagged dependent variable to correct for autocorrelation.

Our key independent variable is *legalized* democratic conditionality. *Democracy clause* is a dummy variable taking the value of one if an RIO has an *implemented* democracy clause in a treaty or treaty protocol. We consider a democracy clause implemented when the relevant treaty or treaty protocol has been ratified and accepted by all members of the RIO. The appendix lists all the RIOs used in this study, including their starting years and if they adopted a democracy clause.

We also assess a possible interaction effect between democracy clauses and the levels of democratic commitments by RIO leader-countries. We posit that the effectiveness of a democracy clause is conditional on the regional leader's level of democracy. The clause, by itself, will significantly reduce coup risk for member states because it helps to reduce collective action barriers through the institutionalization of expectations among members. We suspect that democracy clauses have particularly strong effects in reducing coup risk when RIO leaders are not strongly democratic. Under such circumstances, the RIO will need an institutionalized commitment to democracy even more because the regional leader may not be able to act as an agent of democracy and the constitutional order for the organization.

We define an RIO leader as the country with the largest economy within an RIO. We identified RIO leaders using gross domestic product (GDP) measured in 2005 constant dollars (World Bank 2010).⁸ *RIO leader democracy rating* is an RIO leader's polity2 score (Marshall, Gurr, and Jaggers 2010). The polity2 score ranges from +10 (strongly democratic) to -10 (strongly autocratic). Thus, higher values of RIO leader democracy rating indicate a greater degree of democracy in the country. The level of democracy that an RIO leader possesses embodies both the interest and commitment to democracy domestically. It may even reflect the country's commitment to promoting and preserving democracy externally. Admittedly, this would be an imperfect indicator to measure an RIO leader's external democratic commitment. For example, a country that is highly democratic may not necessarily be committed to promoting democracy elsewhere. However, we believe that one can reasonably assume that a country's commitment to democracy abroad will not exceed the level of democracy in that nation. That is, a very autocratic state will not be committed to democracy in their country or abroad.⁹

The models also include *power ratio*, which measures the economic weight of the RIO leader within the organization. We calculated power ratio by taking the RIO leader's GDP and dividing it by the total GDP of all the respective RIO member states. Power ratio is included in the model because the power transition literature suggests that regional leaders disapprove of political disruptions in their spheres of influence and are capable of providing stability when they are much larger than the rest of the countries in their respective regions (Tammem et al. 2000).

Pevehouse (2002, 2005) argues that "democratic density," or the average level of democracy within a regional international organization, influences democratic consolidation of its member states by raising the costs of renegeing on member states' commitment to democracy. High levels of democratic density may signal an RIO's informal commitment to democracy, i.e., the RIO does not possess a clause in a treaty requiring its member states' adherence to democratic institutions and principles as a condition for membership, but still has an expectation that its members are and remain democracies. Our models thus include *RIO democratic density*, which is measured by the mean polity2 score of all members of an RIO. The inclusion of democratic density is also important to ensure that the effects of democracy clauses do not merely reflect democratic densities of their RIOs.

We also control for the average level of wealth within RIOs. Past research has shown that democracies are much more stable if they are wealthy (Lipset 1959; Przeworski et al. 2000), although income inequality may be a more important factor for coups' occurrences (Hiroi and Omori 2014). We calculated the mean GDP of an RIO's member states for each year.

Finally, we use panel-corrected standard errors to address heteroskedasticity. All independent variables are lagged by one year to reduce potential endogeneity problems. The results of OLS analyses are presented in Table 1.

⁸ GDP data for initial years are missing for a few cases that we suspect were RIO leaders in the following organizations: Arab League, the CARICOM, and the EU. In these cases, we used the largest GDP data available in the organization in the year. This practically led to the selection of second largest countries within respective RIOs for those years in which GDP data of the largest countries are missing. However, this potential discrepancy does not affect the results of our econometric analyses because polity2 scores of the largest and second largest countries are usually very similar. We also estimated models by excluding these years with missing GDP data, which showed nearly identical results as the estimations using the full sample.

⁹ Assessing regional leaders' levels of commitment to democracy is obviously not an easy task. Coding speeches about democracy may overstate leaders' commitments to democracy because hardly anyone today is opposed to 'democracy,' but their actual behavior vary significantly and democracy is often interpreted in self-serving ways. In fact, 106 countries, both democratic and undemocratic, are signatories to the Warsaw Declaration, "Toward a Community of Democracies," established in 2000 to advance democratic norms and deepen democracy worldwide. Arguably, the levels of commitment to democracy can be inferred from their actual behavior, i.e., how democratic or autocratic they are themselves.

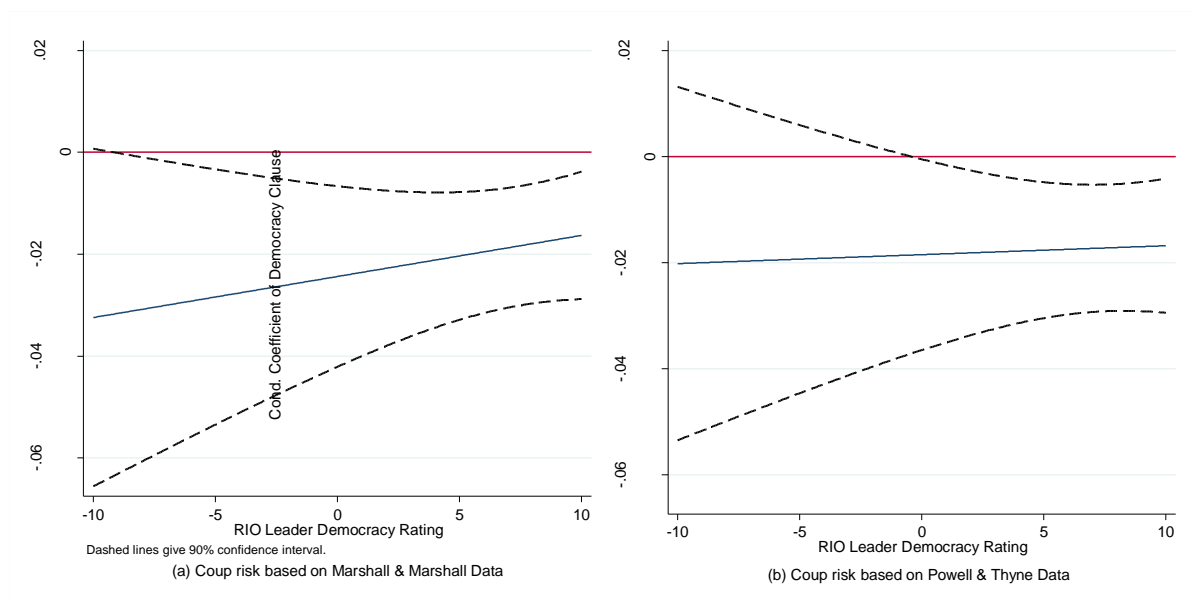
Table 1 Analysis of RIO Coup Rates, 1960-2009

	MM Coups		PT Coups	
Lagged coup rates	0.280	***	0.250	***
	(0.06)		(0.064)	
Democracy clause	-0.024	**	-0.019	*
	(0.011)		(0.011)	
RIO leader democracy rating	-0.001		-0.000	
	(0.001)		(0.001)	
Democracy clause x RIO leader democracy rating	0.001		0.001	
	(0.001)		(0.001)	
Power ratio	-0.053	***	-0.05	***
	(0.010)		(0.010)	
Democratic density	-0.002	*	-0.001	
	(0.001)		(0.001)	
GDP per capita (RIO mean)	-0.001	***	-0.001	**
	(0.000)		(0.000)	
Constant	0.076	***	0.070	***
	(0.009)		(0.009)	
N	965		965	
R ²	0.234		0.180	

Notes: All independent variables are lagged by one year. The models were estimated using OLS regression with panel-corrected standard errors. Entries are coefficients and panel-corrected standard errors are in parentheses. *p≤.10, **p≤.05, and ***p≤.01, two-tailed tests.

The estimation results strongly support the argument that democracy clauses are effective in reducing coup threats within member states. The results of the analysis using the Marshall and Marshall coup data are shown in the column headed by “MM Coups.” The variable democracy clause is negative and statistically significant. In Figure 1, we plot the effects of democracy clause at various levels of RIO leaders’ democracy ratings. Figure 1(a) reveals that democracy clause has a negative and statistically significant effect on the onsets of coups at almost all levels of RIO leader democracy ratings. Since the lowest RIO leader polity2 score among those with democracy clauses in our sample is -6 (Egypt, leader of the COMESA), in practice, democracy clause significantly diminishes coup risks for member states regardless of whether the RIO leader is a, using Marshall, Gurr, and Jagers’ (2013) terminology, democracy or anocracy.

Figure 1 Effects of Democracy Clauses on RIO Coup Rates at Various Leader Democracy Ratings



However, the positive slope of democracy clause’s conditional coefficients also suggests that democracy clauses may have stronger effects in reducing coup risk, particularly where RIO leaders are not themselves evidently democratic.¹⁰ As we argued, democracy clauses are instrumental in preventing coups because they institutionalize expectations and democratic norms of behavior, which help overcome collective action problems within an RIO. Thus, the existence of such a mechanism is especially imperative when an RIO leader is either unable or unwilling to play the leadership role to thwart antidemocratic behavior. RIO leaders’ lower democracy ratings suggest the lack of strong interest in reducing anti-democratic actions within their respective organizations.

For example, when the RIO leader’s polity2 score is -6 (e.g., the level of Egypt in 2000), the RIO coup rate is 0.03 lower if the RIO has implemented a formal democratic conditionality than in its absence. Given the mean annual coup rate of all RIOs is 0.05, this is a substantial reduction in coup risk. If the RIO leader’s polity2 score is 8 (the level of Brazil in 2009), the coup rate is 0.02 lower for the RIOs with democracy clauses than those without such clauses. This still represents a considerable reduction in the coup rate, yet the effect of a democracy clause is 33 percent smaller compared to when an RIO leader is much less democratic.

It is also interesting to note that according to the estimation results, in the absence of a democracy clause, the RIO leader democracy rating is not statistically significant in reducing coup risks, although the sign of the coefficient is negative as expected. What is instead statistically significant is power ratio. RIO leaders view political instabilities under their reign unfavorably. Therefore, it seems that when they are capable, as indicated by greater power ratios, they do not permit coups to happen in the countries that are members of their RIOs. In addition, democratic density is statistically significant in lowering RIO coup rates. For example, if democratic density increases from its lowest value (-9.67) to its maximum value (10), an RIO’s coup rate diminishes by 0.035. Finally, consistent with the literature on democracy and economic development, wealthier RIOs tend to have lower coup rates than poorer ones.

¹⁰ Since the confidence interval is larger where RIO leader democracy ratings are lower, even though the positive slope of the conditional coefficients suggests larger effects of democracy clause when RIO leader democracy ratings are low, we do not have definite evidence to affirm this relationship.

The column under “PT Coups” replicates the estimation using the Powell and Thyne (2011) coup data. The basic conclusions of the analysis remain intact: democracy clause is effective in reducing coup rates. However, Figure 1(b) indicates that where RIO leaders’ democracy ratings are below -1, the effect of democracy clause is no longer statistically significant.

Threats to democracy do not come only from coups. Democratic institutions may be subverted by political leaders in the executive office. Frustrated with opposition in Congress and facing revolutionary insurgencies and economic catastrophe, in April 1992, Peruvian President Alberto Fujimori seized legislative and judicial power by suspending the country’s constitution, closing the courts, and sending tanks to the legislature. With this “presidential coup,” Peru’s fragile democracy broke down and was not fully restored until Fujimori’s fall from power in late 2000 and general elections in 2011 that elected a new president and members of the national congress.

Deteriorations in democratic credentials can also happen in countries that are not fully democratic. Since the Third Wave democratization that began in the 1970s, the number of autocracies substantially decreased, and the number of democracies concomitantly increased. However, the number of “anocracies” (Marshall, Gurr, and Jagers 2013), the regime type that is in between democracy and autocracy, and once also declining in number, began to increase significantly in the mid-1980s. Anocracies are found in various countries, including those that removed their autocratic regimes during the Third Wave and appeared to advance to become full democracies. However, some of those became ‘stuck’ in ostensibly democratic institutions but with less than democratic practices. Some countries have experienced setbacks. For example, after the collapse of the communist regime in 1991, Russia appeared to be marching toward a democracy. In fact, the Polity IV Project assigns a polity score of six to Russia between 2000 and 2006, which indicates that Russia was a democracy. However, since 2007, Russia’s ratings were lowered, returning to be classified as an anocracy.

Corrosion of democratic institutions and movements toward autocracy can also happen without necessarily accompanying changes in regime classifications. Even when there is little change in the number of each political regime type, there are movements toward and away from democratic institutions. Despite its importance, frequency distributions of various regime categories therefore do not reveal the full dynamics of the gains and losses in democracy and consolidation. For example, Venezuela’s polity score was nine from 1969 through 1991, but with attempted coups, restrictions on oppositions and the media, and diminishing competitiveness of elections, it gradually and constantly declined since then. In 2001, the country was rated as six on the polity scale. Nonetheless, regime classification fails to capture the decline in the level of the Venezuelan democracy since 1992 through 2005; despite its decline, Venezuela is classified as a democracy through 2005. Since 2006, Venezuela has been classified as an anocracy, but its polity score has continued to deteriorate without accompanying any change in its regime category.

We therefore analyze backsliding of countries in terms of their democratic credentials, rather than exclusively focusing on the collapse of democratic regimes, which would fail to capture the full dynamics of regime transitions and the role that democracy clauses play in these dynamics. We define democratic backsliding as a major deterioration in the institutions of democracy and quasi-democracy,¹¹ and operationalize it as a negative change in the polity2 scores of two points or greater.

The dependent variable of this analysis is annual *RIO democratic backslide rates*, which is operationalized as the mean rate at which members of a particular RIO experience major negative changes in their democratic or quasi-democratic institutions. Any backsliding in the magnitude of two or greater in the polity2 scale was coded as an event (i.e., backsliding). The variable takes into account

¹¹ We include deteriorations in quasi-democratic institutions in this analysis. Many non-democratic countries use institutions and procedures, such as popular elections of leadership, that fall short of being democratic. For example, elections may be held but are not competitive or free (see, for example, the volume by Schedler (2006)). Deteriorations in these quasi-democratic institutions are also of significant interest for this study.

the frequencies of such political events within an RIO, yet does not differentiate them in terms of by how many points in the polity2 score different episodes of backsliding reduced. We also present estimation results with a backslide variable constructed based on a change of three or greater in the polity2 score.¹²

Table 2 Analysis of RIO Democratic Backslide Rates, 1960-2009

	2 or greater		3 or greater	
Lagged democratic backslide rates	0.151	**	0.128	**
	(0.068)		(0.059)	
Democracy clause	-0.012	**	-0.012	***
	(0.005)		(0.004)	
RIO leader democracy rating	-0.001		-0.001	
	(0.000)		(0.000)	
Democracy clause x RIO leader democracy rating	0.000		0.000	
	(0.001)		(0.000)	
Power ratio	0.000		-0.012	***
	(0.011)		(0.005)	
Democratic density	0.001		0.001	
	(0.001)		(0.001)	
GDP per capita (RIO mean)	-0.001	***	-0.001	***
	(0.000)		(0.000)	
Constant	0.024	***	0.024	***
	0.005		(0.004)	
N	965		965	
R ²	0.069		0.060	

Notes: All independent variables are lagged by one year. The models were estimated using OLS regression with panel-corrected standard errors. Entries are coefficients and panel-corrected standard errors are in parentheses. *p≤.10, **p≤.05, and ***p≤.01, two-tailed tests.

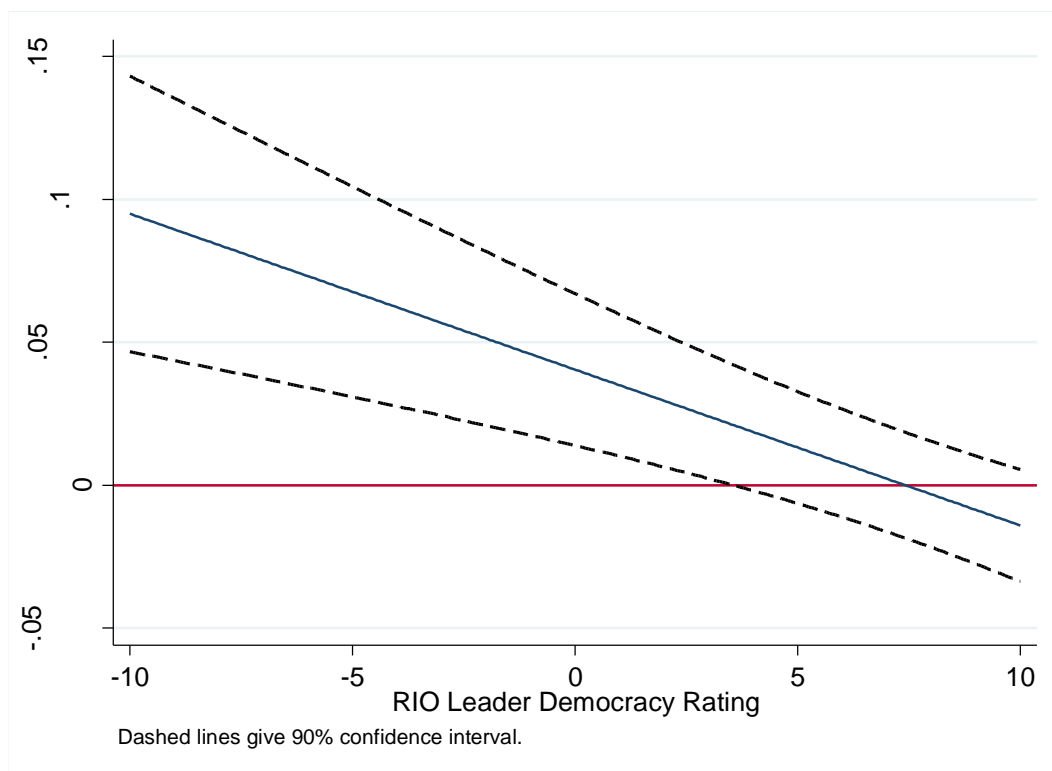
As with the analysis of coups, our major concern is whether the formal legal adoption of democratic conditionality by RIOs helps prevent democratic backsliding in their member states. We also assess if the effects of democracy clause vary depending on RIO leaders' levels of democracy. We control for power ratio, democratic density, and mean GDP per capita as we did in the analysis of coups. The models include a lagged dependent variable for autocorrelation and uses panel-corrected standard errors for heteroskedasticity. All independent variables are lagged by one year. The results are summarized in Table 2.

The first column in the table presents the findings when backsliding is measured as a negative change of two points or greater in the polity2 scale. The coefficient of democracy clause is negative and statistically significant, indicating that legalized democratic conditionality reduces RIO member states' vulnerability to democratic backsliding. Figure 2 depicts the effects of democracy clause conditional on RIO leaders' democracy ratings. Democracy clause is statistically significant when the RIO leader democracy ratings are -6 or greater. This indicates theoretically that for a democracy clause to be effective in diminishing backsliding risks, an RIO's largest country must be at least an

¹² We also ran a model using a negative change of one point or greater in the polity2 scale. The findings remained unchanged.

anocracy.¹³ In other words, even with the adoption of a democracy clause, such conditionality will not be effective in reducing democratic backsliding if the RIO leader is an autocracy. However, the lowest polity2 score for the RIO leaders of organizations with democracy clauses is -6. Hence, in reality, democracy clause decreases RIO backslide rates at the entire range of RIO leader scores when considering RIOs with implemented democracy clauses. In addition, the positive slope of democracy clause's conditional coefficients once again indicates that the existence of such a clause may be even more important in preventing backsliding when RIO leaders are not fully democratic. However, we should await more data to have a more definitive answer to this relationship given the wider confidence interval at the lower leader democracy ratings.

Figure 2 Effects of Democracy Clauses on RIO Backslide Rates at Various Leader Democracy Ratings



The findings regarding the importance of democracy clause and its conditional effects are also repeatedly found even when we change the measurement of major backsliding to a negative change of one point or greater (not shown here), or three points or greater, in the polity2 scale. The right column of Table 2 presents the estimation results when negative changes of three points or greater are used. The results are practically the same as the one based on changes of two points or greater. The only difference between the two models is that power ratio is negative and highly statistically significant in the model with the greater backsliding threshold, but is not significant in the smaller threshold model. One can interpret these results as suggesting that RIO leaders care about really large political instabilities, but not lesser ones, and when they have capabilities, they make sure that these very substantial sudden political changes will not happen.

¹³ Strictly speaking, as indicated before, Marshall, Gurr, and Jagger (2013) classify countries as “anocracy” if their polity scores are between +5 and -5, and those as “autocracy” if their polity scores are -6 or below. However, the polity rating is a continuous measure and the three-way classification of political regimes based on it is somewhat arbitrary.

The previous two tests demonstrated that democracy clauses are indeed effective in bringing about political stability and preventing anti-democratic behavior in the countries that are members of RIOs with legalized democratic conditionality. We are also interested in finding out if a democracy clause can also serve as an engine for the promotion of democracy and democratic deepening. To tap into this question, we constructed a variable called *RIO rates in democratic gains*. Democratic gain records any positive change in a country's polity2 score. RIO rates are calculated by summing up the number of countries that experienced democratic gains in year t , which is then divided by the total size of RIO membership. Thus, as with RIO coup rates and backslide rates, rates of democratic gains represent the mean rates at which RIO members experience movements toward democracy or greater democracy in a given year. We use the identical set of independent variables so that we can compare how the key factors identified in the coup and backslide analyses may also contribute to democratic advancement.

In our coding scheme using the Polity IV data, countries that are assigned a polity2 score of 10 cannot become more democratic because the polity scale is bounded between positive and negative 10. RIOs that have the value of 10 on democratic density are organizations where all the members are already fully democratic.¹⁴ Three RIOs in our sample have had democratic density scores of 10 between 1960 and 2009: the Canadian-U.S. Free Trade Agreement (the predecessor of the North American Free Trade Agreement) from 1989 to 1993; the European Free Trade Association since 1982; and the Australia-New Zealand Closer Economic Relations Trade Agreement since its establishment. The regression analysis excluded these cases.

Table 3 Analysis of RIO Rates in Democratic Gains, 1960-2009

Lagged democratic gain	0.287	***
	(0.064)	
Democracy clause	0.040	**
	(0.016)	
RIO leader democracy rating	0.002	***
	(0.001)	
Democracy clause x RIO leader democracy rating	-0.005	***
	(0.002)	
Power ratio	-0.028	*
	(0.015)	
Democratic density	-0.004	***
	(0.001)	
GDP per capita (RIO mean)	-0.001	*
	(0.001)	
Constant	0.062	***
	(0.010)	
N	909	
R ²	0.137	

Notes: All independent variables are lagged by one year. The models were estimated using OLS regression with panel-corrected standard errors. Entries are coefficients and panel-corrected standard errors are in parentheses. *p≤.10, **p≤.05, and ***p≤.01, two-tailed tests.

¹⁴ In contrast, no RIO had a perfect negative ten democratic density score.

Figure 3 Effects of Democracy Clauses on RIO Rates in Democratic Gains

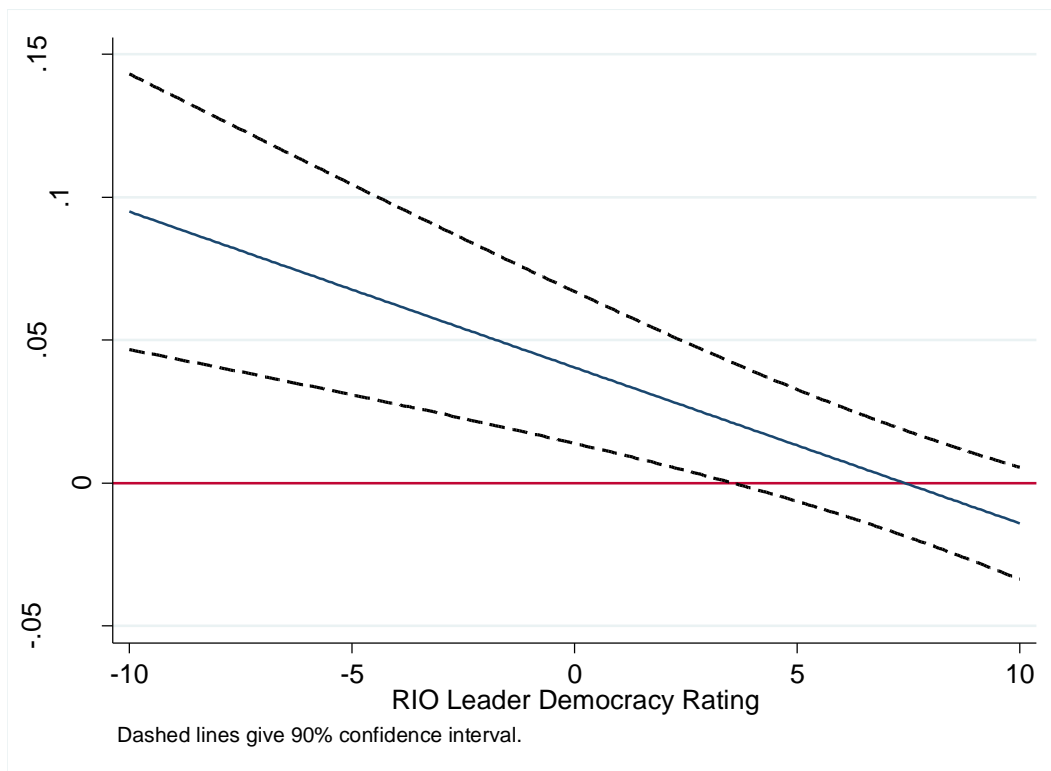


Table 3 presents the analysis of RIO rates in democratic gains in 39 RIOs. The findings indicate that democracy clause contributes to the promotion of democracy among the members of RIOs with such conditionality. Figure 3 assesses the conditional effects of democracy clause at various levels of RIO leader democracy ratings. The figure shows that democracy clause is particularly effective in promoting democratization and democratic deepening among RIO member countries when the RIO leader is an anocracy. We arrive at this conclusion considering that the lowest rating of the RIO leader democracy credentials is -6 in our sample with democracy clauses, and that the coefficient of democracy clause is not statistically significant where the RIO leader democracy rating is four or greater.

To put these findings in practical terms, when the RIO leader’s polity2 score is -6, for example, the RIO rate of democratic gains is 0.07 greater when the RIO has a democracy clause than when it does not. The RIO rate of democratic gains ranges from zero to 0.71 with a mean of 0.06. Considering this, the effects of democracy clause are large and important. When the RIO leader’s polity2 score is three, the effect of democracy clause on democratization somewhat decreases, yet the rate of democratic gains is still 0.02 greater in RIOs with democracy clauses than those without them. What is noteworthy is the fact that democracy clauses can promote democratization even in the absence of a regional leader that is strongly committed to democracy.

In contrast to the analyses of coup and backslide rates, in the promotion of democracy, we find that in the absence of a democracy clause, RIO leaders’ democracy scores have direct impact on the rates of democratic gains. This is indicated by RIO leader democracy rating’s positive and statistically significant coefficient. When the RIO leader is an autocracy with the lowest polity2 score of -10 (e.g., Saudi Arabia in the Arab League), the RIO rate of democratic gains is expected to be 0.02 lower than when the RIO leader’s democracy score is zero. However, if the RIO leader becomes less autocratic—say its polity2 score is three, then its RIO’s rate of democratic gains is 0.006 greater than when the RIO leader’s democracy score is zero. If the RIO leader is fully democratic with a polity2 score of 10, the RIO rate of democratic gains increases by 0.02 from when the RIO leader’s democracy score is

zero. Thus, in the absence of a democracy clause, having a leader committed to democracy is important for regional democratic development.

Having an RIO leader that is large relative to the rest of the members combined reduces RIO rates of democratic gains, as indicated by power ratio's negative and significant coefficient. At first glance, this finding may appear surprising given that in the analyses of coups and democratic backsliding, we found that relatively large RIO leaders lower the incidents of these anti-democratic events. However, the analysis controls for the effects of democracy clause and RIO leaders' levels of democracy. Thus, power ratio does not imply the RIO leader's preference regarding democracy. Moreover, as we discussed in the previous sections, RIO leaders, when their regime preferences are held constant, may have inherent aversion to political changes in their spheres of influence, as the literature on power transition and hegemonic stability suggests (Organski and Kugler 1980; Gilpin 1987; Tammem et al. 2000). Hence, RIO leaders, when capable, may seek to prevent any political change in either direction, democratic or autocratic.

On the other hand, the results on democratic density and economic development are somewhat perplexing. The coefficients of both democratic density and economic development are negative and statistically significant, meaning that greater democratic density or economic development is associated with lower, not higher, rates of democratic gains. These findings may be artifacts of employing polity data to measure the levels of democracy. Since polity scores are bounded between -10 and 10, RIOs that already have many members with the highest possible value cannot have high rates of democratic gains, whereas RIOs whose members have lower democracy ratings can continue to improve democratically. The ceiling on the highest value of democracy may present this type of problem even though we excluded RIOs with democratic density of 10 from the sample. Similarly, there is a high correlation between wealth and democracy (Lipset 1959), and many wealthy countries are already full democracies that, given polity's measurement scale, cannot become more democratic. Thus, we need to interpret the findings of these variables with caution.

Conclusion

We began by postulating why RIO member states should be interested in other member states' domestic political stability and why democratic consolidation via legalized democratic conditionality represents the best path to ensure that. Political instability in one country can have a negative spillover and impede the economic success of regional integration. It may also hinder cooperation among member states. Thus, domestic political stability is a collective good for RIO member states.

While it is possible for an international organization to implement positive and negative incentives to deter or reverse antidemocratic actions without having a legalized democratic conditionality, democracy clauses in regional integration organizations are uniquely effective. Legalizing democratic conditionality helps overcome collective action problems and equips RIOs with the necessary credibility, justification, and tools for intervention in member states' domestic political affairs. Thus, codifying conditionality and sanctions in treaties decreases uncertainty regarding the consequences of breaking the constitutional order. In addition, RIOs deepen economic integration among member states, which in turn raises the stakes for the member states to collectively defend democratic institutions and inflates the costs of sanctions for countries under threat. Because high costs of antidemocratic actions are known to domestic actors thanks to democracy clauses, they will be deterred from undertaking such actions. Over time, domestic actors will internalize the principles of democracy, leading to its consolidation.

This paper empirically tested the main arguments using data gathered for 40 RIOs in the world. The econometric analyses of RIO coup rates and democratic backsliding rates demonstrated that democracy clauses are indeed effective in preventing coups and democratic backsliding within countries that are members of RIOs with such clauses. In addition, the analyses suggest that the effects

of democracy clauses are even stronger, and thus democracy clauses are all the more important, when RIOs lack leader-countries that are themselves soundly democratic. Furthermore, an analysis of democratic gains showed that democracy clauses are also effective in the promotion of democracy within RIO member states. In sum, our data analyses indicate that democracy clauses are instrumental in promoting political stability, democratization, and democratic consolidation.

In the past, much of the focus of the literature on transitions to democracy and democratic consolidation rested on domestic factors. Our study reveals that there is a new method for becoming a democracy – democratization through integration. This increasingly popular method is also effective in promoting political stability and democratic consolidation.

Appendix: Regional Integration Organizations: Starting Years and Democracy Clauses

Regional Integration Organization	Start Year	Democracy Clause
African Union	1963	Yes
Andean Community	1969	Yes
Arab Maghreb Union	1989	No
Asia Pacific Trade Agreement	1975	No
Association of Southeast Asian Nations	1968	No
Australia-New Zealand Closer Economic Relations Trade Agreement	1983	No
Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation	1998	No
Caribbean Community	1965	No
Central American Integration System	1963	Yes
Central Asian Cooperation Organization	1995	No
Common Market for Eastern and Southern Africa	1981	Yes
Common Market of the South	1991	Yes
Commonwealth of Independent States	1992	No
Community of Sahelo-Saharan States	1998	No
Dominican Republic-Central American Free Trade Agreement	2006	No
East African Community	1967	Yes
East Asian Economic Caucus	1990	No
Economic and Monetary Community of Central Africa	1966	No
Economic Community of Central African States	1985	No
Economic Community of the Great Lakes Countries	1978	No
Economic Community of West African States	1975	Yes
Economic Cooperation Organization	1985	No
Eurasian Economic Community	1996	No
European Free Trade Association	1960	No
European Union	1952	Yes
Forum for Asia-Pacific Economic Cooperation	1989	No
Franc Zone	1959	No
Georgia-Ukraine-Azerbaijan-Moldova	1997	Yes
Gulf Cooperation Council	1981	No
Indian Ocean Rim Association for Regional Cooperation	1997	No
Intergovernmental Authority on Development	1986	No
Latin American Integration Association	1960	No
League of Arab States	1945	No
North American Free Trade Agreement	1989	No
Pacific Islands Forum	1971	Yes
Shanghai Cooperation Organization	1996	No
South Asian Association for Regional Cooperation	1985	No
Southern African Development Community	1980	Yes
West African Economic and Monetary Union	1994	No

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