Honors Thesis Proposal

For

The Colonial Legacy of European Union Trade Agreements

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CHAPTER 1: INTRODUCTION

Does the legacy of European colonialism still govern the economic relationships between ex-colonies and their former colonizers? While research into the impact of European colonialism on a former colony’s internal development has produced a diverse body of research, further study into its economic consequences has yet to be carried out. Using data from these existing studies, which postulate that factors such as colonial purpose, colonizer identity and colonial duration have significance in explaining contemporary states’ respective levels of development, it is possible to see whether these factors also hold significance as to the type of trade deals former European colonies agree to enter with their former colonizers. As there is some variance to the types of trade deals the EU offers prospective trading partners, it is possible to measure a variety of factors that might be significant in answering this question. These answers can be gleaned from a large-n regression. It is anticipated that colonial purpose will be a significant factor in determining which trade decisions which ex-colonies make and why. Understanding how these decisions are governed will help shape our understanding of how postcolonial legacies influence a state, both internally and externally.

According to Lange and Dawson, a colony is “a territory that is controlled by a foreign power and recognized by that foreign power as a non-integral component of its own national state” (2009, p. 792). According to Ola Olsson, a colony is:

[...] a new and lasting political organization created outside Europe by Western countries (countries in Europe excluding Russia but including the Western offshoots United States, Australia, New Zealand and Canada) from the 15th to the 20th centuries through either invasion or conquest, and/or settlement colonization. Its rulers are in sustained dependence on a geographically remote mother country or imperial center that claims
exclusive rights of possession of the colony or in other ways strongly dominates politics in the country. (2009, p. 536)

For the purpose of this research, colonialism is the process by which a nation or territory was governed politically, economically or socially by a non-native entity who held some systemic power over their subjects. A colony, then, is the recipient of this process. This paper will focus on the trade legacies of European colonialism in part because of the large and varied sample these parameters provide, and in part because of a Eurocentric bias. By and large, research on colonial legacies has been concerned with colonialism’s impact on a former colony’s internal growth and development. It is generally accepted that colonialism has had some sort of lasting legacy on the states involved, though the exact idiosyncrasies and strength of these legacies can be difficult to measure. This paper seeks to broaden the existing literature by looking at the factors that influence former colonies’ decisions to embark on formal trade agreements with their former colonizers. Additionally, by understanding the ways in which trade deals with former colonizers can have an impact on a modern state’s development, one can piece together a clearer picture of the different facets of colonial legacies that influence contemporary international relations.

CHAPTER 2: LITERATURE REVIEW

When it comes to the philosophy of trade, traditional mercantilist ideology holds that a state improves its wealth by encouraging exports and discouraging imports. The publication of Adam Smith’s *The Wealth of Nations* in 1776 challenged this idea by suggesting that the theory of absolute advantage—in which an economic activities can be carried out more efficiently by some groups or individuals than others—could provide bilateral benefits. The theory of comparative advantage—that some groups or individuals can carry out an economic activity
more efficiently than another type of economic activity—expounded on Smith’s theory. Comparative advantage remains a fundamental explanation for why states trade with each other today. In the late 1970s, economists realized that most world trade occurred between developed countries with similar economic potential: more diversity among options for consumers allowed for them to increase utility, and therefore this sort of trade was profitable for different states and companies to engage in. Today, newer trade models posit that firms “can and do vertically separate parts of their production process, which they can then ‘source’ from different locations” (Blonigen & Wilson, 2013, p. 621). Offshoring occurs when a company from one state moves part of their production to another state. The majority of offshoring is concentrated in firms from developed states utilizing the low-cost labor force in less developed states (Blonigen & Wilson, 2013, p. 621).

In order to measure trade between developed and developing countries, Blonigen and Wilson use the Organization for Economic Cooperation and Development (OECD) as a proxy for developed states. The OECD also shares many member states with the European Union and therefore the findings are acceptable for this study as well. Following newer trade theories, trade between OECD members dominates world trade. From 1973 to 1999, trade between OECD members accounted for 44-58% of global trade, which has been declining since the early 2000s (Blonigen & Wilson, 2013, p. 625). Trade where one partner is a member of the OECD represents a vast majority of trade. Trade between non-OECD and OECD members has grown significantly in recent years, as has trade between two non-OECD members. Much of the growth among OECD and non-OECD members can be attributed to a significant increase in trade with China and an increased use of offshoring. Trade between two non-OECD members now accounts for 25% of world trade.
As Europeans colonized many states worldwide, the EU now encompasses many states’ former colonial powers. It is also an economic powerhouse, ranking as the largest economy in the world and accounting for over one quarter of the world’s wealth when measured by gross domestic product (“The European Union Explained: Trade,” 2016, p. 3). When it comes to international trade, the European Union promotes the establishment of free trade agreements with other states or groups of states in order to accelerate growth and innovation. Each agreement varies based on individual capacities and ambitions. According to the European Commission’s webpage “Agreements,” trade deals fall into one of three categories: customs unions, partnership or cooperation agreements, and a spectrum of free trade agreements (2016). Customs unions seek to eliminate customs duties in bilateral trade and establish joint customs tariffs on foreign importers. Partnership and cooperation agreements provide a general framework for bilateral economic relations and leave customs tariffs as they are. Association agreements, stabilization agreements, deep and comprehensive free trade agreements and economic partnership agreements remove or reduce customs tariffs in bilateral trade. For African, Caribbean and Pacific states that are currently developing their economies, the European Union enters into Economic Partnership Agreements (EPAs) that combine free trade with developmental aid.

However, The Oxford Handbook of International Trade Law lays out two categories of trade agreements: customs unions and free trade agreements (FTAs). An FTA requires the “elimination of most, if not all ‘duties and other restrictive regulations of commerce’ for ‘substantially all’ trade” among members of a particular agreement (Bethlehem, McRae, Neufeld & Van Damme, 2012, p. 248). In reality, FTAs are somewhat of a misnomer, as these agreements tend toward preferential trade agreements in which members benefit from the

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elimination of hurdles imposed on non-members (Bethlehem et al., 2012, p. 238). Customs unions go a step further by eliminating common external tariffs between members. EPAs, then, are a category of FTA that contain considerations for differential political or economic circumstances between members. They combine the preferential benefits of regular FTAs with development assistance and other non-trade rewards (Bethlehem et al., 2012, p. 562).

There are a few reasons why non-EU states might find FTAs to be an ideal form of trade agreement. First, the process of finalization is often quicker to finalize than other types of trade agreements (Bethlehem et al., 2012, p. 561). Second, they can contain political or economic considerations for the individual circumstances of the state in question (Bethlehem et al., 2012, p. 561.) Finally, they allow for investment, competition, technical standards, environmental provisions or labor standards to be implemented (Bethlehem et al., 2012, p. 562).

Generally, the EU pursues a policy of “active engagement” with its partners to negotiate comprehensive free trade agreements in order to lessen customs duties on exports, eliminate quotas on exports, cut down on bureaucratic barriers to trade, and give EU businesses access to the global market (“The European Union Explained: Trade,” 2016, p. 8). The International Monetary Fund (IMF) currently estimates that 90% of future economic growth will originate outside of Europe by 2020, with one third of that growth in China alone (“The European Union Explained: Trade,” 2016, p. 5). This desire to engage in extra-EU trade has been noted in recent years. For instance, there is a “decreasing trend for intra-EU exports and imports over the last few years for the EU27” while extra-EU trade is increasing (Georgescu, 2014, p. 128). In 2014, the percentage of intra-EU trade among the EU27 was 60% and 40% between the EU and non-EU member states. Trade trends within the EU also show that most member states are more open to trade—measured by total trade divided by GDP—than they used to be (Georgescu, 2014, p.
129). Similarly, smaller economies tend to be more open to trade than larger economies, as larger economies tend to be more autarkic (Georgescu, 2014, p. 129).

Bertocchi and Canova’s study found that colonial dependencies grew at average rates about three times larger than either former colonies or independent states. And, when compared to independent states, dependencies were able to profit from their connections to the global economy more efficiently. They were also “capable of taking maximum advantage of the new political order, while colonies kept paying the consequences of their history even after political independence was achieved” (Bertocchi & Canova, 2002, p. 1854). This helps explain contemporary trade relations between the EU and its former colonies, as states with higher rates of development upon decolonization are assumed to be more appealing trading partners.

Acemoglu, Johnson and Robinson establish a binary between settler and extractive colonies, claiming that settler colonies tended to experience higher stability and growth after colonization due to the presence of strong governing institutions created and maintained by European settlers (2001, p. 1374). These Europeans wanted governments that would grant them the same rights they had in Europe and would therefore establish strong institutions to provide these privileges in the colonies where they settled. Many times, these institutions were strong enough that they persisted after independence. In contrast, extractive colonies had few European settlers, which allowed the governing officials to “[focus] simply on expropriating wealth from the colonized” (Lange, 2004, p. 905). These exploitative intuitions also persisted after the end of formal colonization, as successors to the colonial regime who “[inherited] its structures, its quotidian routines and practices, and its more hidden normative theories of governance” (Young as cited in Acemoglu, Johnson & Robinson, 2001, p. 1376).
Sokoloff and Engerman distinguish between two types of institutional legacy: those found in the plantation colonies in the Caribbean and Brazil and the extractive colonies of South and Central America, and those from the settler colonies of North America. Plantation and extractive colonies had institutions that "protected the privileges of the elites and restricted opportunities for the broad mass of the population to participate fully in the commercial economy" (Solokoff & Engerman, 2000, p. 221). The elites in these colonies were Europeans and European descendants who preferred to act as overseers over indigenous or African slave populations, either encouraging them to grow commodity crops or to extract mineral resources which were then siphoned to the metropole. North American colonies, excluding Mexico, had balanced and self-servicing institutions developed by and for the majority population of family farmers of European descent (Solokoff & Engerman, 2000, p. 223). The consequence of persistent institutions on internal growth and development is that settler colonies started ahead and remained ahead, while plantation and extractive colonies started behind and remained behind, comparatively and in most situations.

Direct rule imposed an organized regulatory structure upon a state while indirect rule merely superimposed a concentrated level of non-native rule upon an existing power structure. Direct rule "[occurred] when only the lowest levels of the colonial administration [were] run by colonial officials" and provided an administrative structure based on a formal and historical legacy that linked disparate colonies to a centralized chain of command within the colonial hierarchy (Lange, 2004, p. 906). In contrast, indirect rule occurred when the majority of the governance was entrusted to the native elite under imperial supervision or when indigenous institutions were incorporated into the structure of colonial domination. This form of rule supported corruption because of the bifurcated legal system in which colonial powers only held
administrative jurisdiction over small area, such as the capital city, while local chiefs had *de facto* rule over local areas with little oversight.

Many papers do find marked differences in the way different colonial powers governed their colonies, particularly in former British ones. In a comparison of 63 ex British African, French African and Spanish American colonies, British colonies performed better on average in matters of postcolonial development (Grier, 1999, p. 319). This is due to a relatively more flexible colonial process. After 1765, the UK did not “automatically impose their constitution on the indigenous culture, but tried to individualize each country’s constitution to its specific needs” (Grier, 1999, p. 319). Many colonial governments under British control were allowed to provide tailored and culturally sensitive education to their constituents in their local languages. Acemoglu et al. point to Britain’s common law legal system that led to the protection of property rights and more developed financial markets, which had positive effects on post-colonial growth and development. Former British colonies prospered relative to other colonies “because of the good economic and political institutions and culture they inherited from Britain” (Acemoglu et al., 2001, p. 1373). The dependencies in Bertocchi and Canova’s study, which had higher levels of post-colonial growth than other states, were all former British colonies. British trade policies were much more open when compared to other states’ trade policies. They allowed their colonies to engage in free trade from 1830 onward and stopped enforcing preferential treatment in 1846 (Grier, 1999, p. 320). British colonies that were ruled directly had more political stability and bureaucratic effectiveness, stronger rule of law, and less state regulatory burden and government corruption than indirectly ruled former British colonies (Lange, 2004, p. 906). Whether a British colony was governed using direct or indirect rule was highly influenced by the percentage of European settlers—the more there were, the more likely a colony was governed directly.
However, Olsson argues that British rule was not more conducive to the establishment of democracies as a unique function British rule, per se, but rather a function of the time under which they had the greatest ability to rule.

When compared to former British colonies, former French colonies fared worse. The French education system prioritized French-only education, which left a 95% illiteracy rate in former French African colonies by the late 1960s (Grier, 1999, p. 319). They used a civil law system developed during the Napoleonic era to restrain judges' interference with state policies, which led to the development of less stable institutions. The French government imposed protectionist and mercantilist measures on their colonies, forcing their colonies “to import from France (or at least through her), to sell their goods only to France, and to use French ships” (Grier, 1999, p. 320). Although the French did utilize a version of direct rule, it was less centralized than the British equivalent. Local chiefs held power over local areas while the colonial administration was nearly defunct, leading to the establishment of “predatory and patrimonial” states upon independence (Lange, 2004, p. 917).

Many studies find that geography and time are significant to understanding post-colonial development. Acemoglu et al. hypothesize that Europeans settled in areas conducive to their survival, such as those with climates and disease thresholds more akin to what was found in Europe (Acemoglu et al., 2001, p. 1370). Places with larger European populations tended to develop better institutions. Solokoff and Engerman agree with this conjecture, asserting that geography and climate were more significant determinants of development because they determined what type of colony was established (Solokoff & Engerman, 2000, p. 219). They argue that Caribbean colonies were plantations, regardless of their Spanish, British or French colonial masters. British colonists “followed the practice of the times to develop major sugar
plantation complexes in... South America and the Caribbean based on a massive import of Africa slaves [sic]” (Olsson, 2009, p. 540).

Olsson finds that colonialism can be understood as two movements through time, with longer colonial duration and later time of independence positively correlated with post-colonization democracy. The mercantilist wave began in 1492 and ended around 1820 with the independence of most Latin American states. The imperialist wave, on the other hand, peaked between 1880 and 1900. The mercantilists were “driven by their desire to capture precious metals (in America) and to gain monopoly in the lucrative spice trade (in Asia)” (Olsson, 2009, p. 539). Imperialists, influenced by the Enlightenment, the Industrial Revolution and the American and French Revolutions, colonized for political and/or humanitarian reasons. In other words, they colonized in order to prevent their rivals from claiming territory, to root out slavery, spread ‘civilization’ and establish free trade.

It can be argued that the difference between the mercantilists and imperialists is merely a difference in colonizer identity, as the mercantilists tended to be Spanish or Portuguese and the imperialists British, Dutch or French. Olsson disagrees with this conjecture, explaining that the predominance of Iberian colonizers during the mercantilist era was due to the peninsula’s auspicious strength in other arenas. By the imperialist era, institutional development had “taken off” in England and the Netherlands, which allowed British and Dutch colonizers to reach further and establish more lasting colonies than their Spanish or Portuguese counterparts.

CHAPTER 3: THEORETICAL INTUITION AND HYPOTHESIS

In general, the European Union has a similar objective for each trade deal they consider. They want to create a trade zone that is as open and liberal as possible. Therefore, the differences among trade deals between the EU and other states can be attributed to the other states’ unique
concerns and preferences. I believe that colonial legacies—in part a state’s unique history, in part their contemporary level of development—are what account for a significant degree of this difference. By working to understand the processes by which trade agreements are formed between former colonies and colonizers, one can create a broader understanding of colonial legacies in action. Trade agreements are used because they are definable and measurable markers of a state’s internal development and its relationship to other states.

What, then, can account for differences in trade preferences? **Under what conditions does a former European colony agree to a trade deal with the European Union?**

More theoretical intuition: beyond development. I expect there to be two or three kinds of influences: development, economic structures/institutions that grew out of the colonial experience (type of colony b/c it connects directly to how colonies functioned and related to others), identity. I have several particular ways of getting about this (type of colony)(identity of colonizer). Final: control.

My theoretical intuition is that development, institutional structures and identity are three different, albeit interconnected, dividends of colonial legacies that influence the types of trade deals former colonies enter into with the European Union. When it comes to development, I believe that former colonies with low levels of economic development are more likely to have fewer trade restrictions in the form of an EPA that combines aid for trade. I expect states with mid-range levels of development to have trade agreements with more restrictions that are designed to protect their developing industries. I expect states with high levels of development are more likely have fewer restrictions in the form of a free trade agreement with the EU. Similarly, I expect that states’ Human Development Index (HDI) rankings will follow the same
pattern: higher- and lower-ranked states are more likely to have trade deals with fewer restrictions in the form of FTAs or EPAs than mid-ranked states.

The institutional legacy of colonialism—the economic structures and institutions that grew out of the colonial experience—can be measured in a few ways. The first is to look at the function a state had within the colonial apparatus, as these purposes determined how each colony functioned and related to other states. I plan to split former colonies into four colonial purpose categories: extractive, plantation, settler and Neo-European. It is expected that extractive and plantation colonies, due to less infrastructure investment by the metropole, are more likely to have fewer trade deals in the form of an EPA. Settler colonies, which had some level of institutional organization developed to protect and provide for European settlers, are expected to have more restrictions than other types of former colonies. The Neo-European colonies of the United States, Canada, Australia and New Zealand are another category onto themselves, as colonies that were so effectively settled and developed by and for European descendants that including them as settler colonies would skew the data. Neo-European colonies are expected to have trade deals with fewer restrictions in the form of an FTA.

Whether a former colony was ruled directly or indirectly is another institutional legacy, as it determined the entire political and economic institutions a state had while under colonial control. I expect that states governed under direct rule are more likely to have fewer trade restrictions in the form of a FTA as a result of a more organized regulatory structure. I also expect that states governed under indirect rule are more likely to have fewer trade restrictions in the form of an EPA due to more chaotic forms of rule during their colonial experience.

I also believe that the identity of the former colonizer will influence the types of trade deals a former colony has, particularly for those with British or French history. States colonized
by the British and French tended to experience more infrastructure investment and higher post-colonial development than states colonized by other colonizers. That is why I expect that they are both more likely to have trade agreements with fewer restrictions in the form of a FTA. On the other hand, former Spanish and Portuguese colonies—which tended to be extractive or plantation colonies centered in Latin America and the Caribbean—are expected to be more likely to have a trade deal with fewer restrictions in the form of an EPA. Similarly, states with larger percentages of European descendants after independence are more likely to have fewer trade restrictions in the form of a FTA. Non-African states with larger percentages of people of African heritage are more likely to have fewer trade restrictions in the form of an EPA.

Trade is not a homogenous affair; rather, it is a diverse set of relationships. “International Trade In Goods” outlines six categories of materials traded with which to articulate differences in trade (2016). My theoretical intuition is that states which import more food, drink and tobacco and manufactured products than they export are more likely to have fewer trade restrictions in the form of an FTA because many of the main exports of developing states are in food-related products and manufactured goods. States that import more mineral fuels, chemicals and machinery than they export are more likely to have fewer trade restrictions in the form of an EPA due to higher opportunity costs of manufacturing these products.

Geography, colonial duration and years independent before 2015 are all control variables. Many studies found variations of these factors to be significant in their projects, which mainly studied the developmental legacies of colonialism.

A table that summarizes these factors and their expected influences is as follows:
### Development Variables

<table>
<thead>
<tr>
<th>Development Variable</th>
<th>Explanation</th>
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</thead>
<tbody>
<tr>
<td>GDP/capita 1970</td>
<td>States with higher GDP/capita in 1970 are expected to have fewer trade restrictions in the form of a FTA. States with mid-range GDP/capita are more likely to have a trade agreement with more restrictions. States with lower GDP/capita are more likely to have fewer trade restrictions in the form of an EPA.</td>
</tr>
<tr>
<td>GDP/capita 2010</td>
<td>States with higher GDP/capita in 2010 are expected to have fewer trade restrictions in the form of a FTA. States with mid-range GDP/capita are more likely to have a trade agreement with more restrictions. States with lower GDP/capita are more likely to have fewer trade restrictions in the form of an EPA.</td>
</tr>
<tr>
<td>HDI in 2015</td>
<td>States with high HDI rankings (closer to 1) are more likely to have fewer trade restrictions in the form of a FTA. States with mid-range HDI rankings (between .4 and .6) are more likely to have more trade restrictions in a trade agreement. States with low HDI rankings (closer to 0) are more likely to have fewer trade restrictions in the form of an EPA.</td>
</tr>
</tbody>
</table>

### Institutional Variables

<table>
<thead>
<tr>
<th>Institutional Variable</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extractive</td>
<td>More likely to have fewer trade restrictions in the</td>
</tr>
<tr>
<td><strong>Plantation</strong></td>
<td>More likely to have fewer trade restrictions in the form of an EPA.</td>
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<td>------------------------</td>
<td>---------------------------------------------------------------------</td>
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<tr>
<td><strong>Settler</strong></td>
<td>More likely to have a trade agreement with more restrictions.</td>
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<tr>
<td><strong>Neo-Europe</strong></td>
<td>More likely to have fewer trade restrictions in the form of a FTA.</td>
</tr>
<tr>
<td><strong>Direct rule</strong></td>
<td>States that were governed under direct rule are more likely to have fewer trade restrictions in the form of a FTA.</td>
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<tr>
<td><strong>Indirect rule</strong></td>
<td>States that were governed under indirect rule are more likely to have fewer trade restrictions in the form of an EPA.</td>
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<tr>
<td><strong>Identity Variables</strong></td>
<td></td>
</tr>
<tr>
<td><strong>British</strong></td>
<td>More likely to have fewer trade restrictions in the form of a free trade agreement (FTA).</td>
</tr>
<tr>
<td><strong>French</strong></td>
<td>More likely to have fewer trade restrictions in the form of an FTA.</td>
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<tr>
<td><strong>Spanish/Portuguese</strong></td>
<td>More likely to have fewer trade restrictions in the form of an EPA.</td>
</tr>
<tr>
<td><strong>Percentage of citizens with European heritage 10 years after independence</strong></td>
<td>More likely to have fewer trade restrictions in the form of a FTA.</td>
</tr>
<tr>
<td><strong>Percentage of citizens in non-African state with African heritage 10 years after independence</strong></td>
<td>More likely to have fewer trade restrictions in the form of an EPA.</td>
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</tbody>
</table>

**Trade Variables**
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food, drinks and tobacco</td>
<td>States that import more food, drinks and tobacco than they export are more likely to have fewer trade restrictions in the form of a FTA.</td>
</tr>
<tr>
<td>Mineral fuels and lubricants</td>
<td>States that import more mineral fuels and lubricants than they export are more likely to have fewer trade restrictions in the form of an EPA.</td>
</tr>
<tr>
<td>Chemicals and related products</td>
<td>States that import chemicals and related products than they export are more likely to have fewer trade restrictions in the form of an EPA.</td>
</tr>
<tr>
<td>Machinery and transport equipment</td>
<td>States that import more machinery and transport equipment than they export are more likely to have fewer trade restrictions in the form of an EPA.</td>
</tr>
<tr>
<td>Other manufactured goods</td>
<td>States that import more other manufactured goods than they export are more likely to have fewer trade restrictions in the form of an EPA.</td>
</tr>
</tbody>
</table>

**Control Variables**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Control.</th>
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<tbody>
<tr>
<td>Geography</td>
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<tr>
<td>Colonial duration</td>
<td></td>
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<tr>
<td>Years independent before 2015</td>
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</tbody>
</table>

CHAPTER 4: METHODOLOGY

This paper intends to take the knowledge gained from previous studies on postcolonial legacies and operationalize it into measurable variables with which to test what factors are significant in the formation of trade deals between the European Union and their former colonies. The dependent variable will be trade agreements in force as of 1 January 2016 within
the six categories outlined earlier. A separate regression will be run for each of the six categories in order to highlight the differences and similarities among different aspects of trade.

Independent variables that serve as potentially significant factors in the formation of trade deals can be coded thusly. Information about GDP per capita will be gathered for 1970 and 2010 in order to track postcolonial and contemporary development. HDI rankings, which assign a value for each state between 0 and 1, can be imported directly. A series of dummy variables will be used to indicate the four colony types: extractive, plantation, settler and Neo-European. Direct and indirect rule can be measured using dummy variables in order to see if administrative differences might account for differences in development. A series of dummy variables will be used to indicate the identities of the former colonial powers. The two demographic variables will be measured as the percentage of people with European heritage 10 years after independence and the percentage of people in non-African states with African heritage 10 years after independence, respectively. Geography will mark what geographic region a state is in. Colonial duration will be measured as the date of colonial onset subtracted from the date of independence. Time independent before 2015 will subtract the year of independence from 2015. Finally, the flow of imports and exports for each of the six trade categories will be measured in order to track differences among types of goods traded.

Afterward the quantitative analysis has been run, a qualitative analysis in which the processes of trade negotiation between former and non-former European colonies will be compared in order to understand how trade agreements are formed.

CHAPTER 5: CONCLUSION

The impact of European colonialism on a former colony’s internal growth is a thoroughly researched concept, though researchers disagree on which factors hold the most significance in
developmental colonial legacies. Some argue that colonial purpose determines what a colony looks like today, while others argue the identity of the colonizer is what shaped many modern states. Others postulate that colonial duration, or how long a colony was a colony, is the most significant determinant of internal development. However, research into the impact of European colonialism on contemporary economic relationships between former European colonies and their colonial powers, measured through the types of trade deals that the European Union agrees upon, has yet to be researched extensively. As there is some variety to EU trade deals, designed to benefit the EU and its partners in different ways, it is possible to measure which factors are connected to specific kinds of trade deals. It is anticipated that the colonial purpose will be highly significant in understanding the decision that a former colony will choose. In order to test this hypothesis, a large-n regression will be run that can test the significance of various factors on trade deals between the EU and its former colonies around the globe.
References


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