

# A Case for Shifting the Focus: Some Lessons from the Balkans

A Response by Susan L. Woodward

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## 1. Introduction

In their article *What is Failing: States in the Global South or Research and Politics in the West?*, Volker Boege, Anne Brown, Kevin Clements and Anna Nolan argue that if we wish to achieve the dual goals of the current focus on fragile states – conflict prevention and development – then we must take seriously the reality of most contemporary political orders. In contrast to the model of international state-builders, who seek a “western-style Weberian/Westphalian state” that “hardly exists in reality” (Boege et al. in this volume, 16), we should appreciate the stabilizing consequences of hybridity – a mixture of the customary and rational-legal – in countries often labelled fragile or even failed according to this model. They may well be far more stable, effective and legitimate than the “misguided” efforts to do “state-building from scratch” (ibid., 25) which generate political instability and economic crisis, for example in East Timor, precisely because of this mixture.

This is a very important contribution, not least because of two problems it allows me to discuss. First, Boege et al. are by no means the first to lodge a persuasive criticism against the current focus on fragile and failing states. Others have argued as well that much of the real world operates differently and more effectively than the standard by which fragility and failure are being judged, including in relation to the desired outcomes of peace and development. Because the authors also propose a substantial and realistic measure for judging real states and for better assistance policies, however, I am especially concerned that their contribution, too, will fall on deaf ears.

My suspicion that their audience is not listening or open to such alternative policies leads to the second problem. This is their apparent acceptance of the other half of the state-builders' argument: that the problem of state failure and its global threats are real. Yet if we turn our focus onto those individual and organised actors who are making these judgements and designing state-building models and assistance, we do not see one model but great variety, in the number and type of actors involved, in their goals and in their respective models of "good governance" and stable statehood. Similarly, the vast number of countries, types of conditions and outcomes of concern to which the label of fragile or failed states is now applied makes it nearly impossible to do useful research and deduce policy recommendations about a single model, causes of hybridity or its outcomes. There are numerous open questions: is the problem the model? Is hybridity more legitimate and effective in other cases, too? What kind of hybridity are we talking about and what are its causes?

I propose, instead, that we shift the focus of the failing states debate onto those who are promoting the concept, its application and the remedial policies to see whether we can learn more for achieving the goals of Boege and his colleagues. I use the great variation in the Yugoslav cases to illustrate the problem and to propose some explanations that I believe should be added to this debate.

## 2. Learning from the Balkan Cases

The Yugoslav cases are particularly useful as a starting point because they were prominent in setting the initial state-failure agenda. Although the explicit interventions during the 1990s (three continue even now) represent only two aspects of the vast state-failure debate – the humanitarian and spillover consequences of violent conflict over the state and post-war state-building operations – they have two additional advantages in addressing the concerns of the authors. They cannot be dismissed as separate islands and political orders, and the variety of international action differentiated places that were part of the same contiguous space and the same customary and local political order (in Boege et al.'s terms). The current international consensus that civil wars are a threat to global security and that both international peace and local development depend on complex state-building interventions to build effective and legitimate states began with the intervention in Bosnia-Herzegovina after the negotiated peace agreement of November 1995 and culminated in the transitional administration for Kosovo in June 1999. The intrusive case that Boege et al. analyse – Timor-Leste – was actually modelled on the Kosovo mission only months later and by the very same United Nations (UN) staff.

### 2.1 The Concept of State Failure and the External Model of State-Building

The first thing we learn from the Yugoslav cases is how inconsistent and political the use of the state-failure label is. The Yugoslav state failed in June 1991 when two of its six federal republics, Slovenia and Croatia, declared independence. But the label adopted by outsiders (first by supportive neighbours, then by diplomats of the European Union (EU) and the Conference for Security and Co-operation in Europe (CSCE), finally *de jure* by the UN in May 1992) was the one proposed by the Slovenes in their campaign, in Europe and the US, to justify independence in direct violation of the international principle of the territorial integrity of sovereign states. Yugoslavia, as the EU's *ad hoc* commission of jurists ruled, was "in the process of dissolution". Even Bosnia and

Kosovo, the two most intrusive state-building interventions, are rarely if ever referred to as failed or even fragile states, although clearly the continuing presence of international military forces and civilian administrations to manage both cases – for thirteen and nine years respectively thus far – is an implicit measure, at least, of their perceived inability to be fully self-governing and their perceived continuing threat to regional security.

The second lesson regards the causes of state failure. The domestic political conflict in Yugoslavia during the 1980s could never have led to state collapse without (1) the external assistance policies that first provoked the destabilizing constitutional conflict, primarily from the International Monetary Fund (IMF), and that then, as was the case with the US and the EU, took sides in the internal conflict, nor without (2) the willingness of outsiders to recognize each subsequent secession (Slovenia and Croatia, then Bosnia-Herzegovina and then, with much external disagreement and delay, Macedonia, Montenegro and Kosovo). Even in Macedonia, which outsiders labelled an “oasis of peace” for a decade, the Albanian insurgency that broke that peace in February 2001 was a direct consequence of outsiders’ actions – the 1999 NATO bombing campaign against Serbia in support of the Kosovo Liberation Army (KLA) and the Kosovar Albanian claims for independence over the border from Macedonia. Equally, none of the massive violence in each of the wars for independence – excepting the Montenegrin separation from Serbia in May 2006 – would have been necessary if the international community (the UN or the EU) had had in place, or had devised, a procedure to negotiate secession and to resolve the conflicts over borders among overlapping claims for self-determination peacefully. State failure and civil war needed outside accomplices.

Third, if Boege et al. are correct that there is a single model driving standards of judgement and external state-building policies, we would expect to see this model applied in at least the five cases of direct intervention to stop the violence, if not the two peaceful cases of Serbia and Montenegro. Yet we do not, as the next sections will illustrate.

### 2.1.1 Slovenia and Croatia: The Weberian Model

Intervention in Slovenia and Croatia aimed to secure their independence by negotiating the withdrawal of the Yugoslav army and, in the case of Croatia, replacing it with United Nations peacekeepers. The model of the state was thus Weberian in its minimal sense: establishing the new states’ monopoly over the use of force within their claimed territories. This required two United Nations missions in the case of Croatia because order was being imposed as well on eleven percent of the local population, who were Serbs living in border areas and who wanted rather to belong to a state with fellow Serbs (Serbia) if Yugoslavia ended. After a Croatian military operation in 1995 expelled the UN protection forces – sent to protect these Serbs in four areas of Croatia while outsiders sought a negotiated constitutional settlement between them and the Croatian government – a more intrusive state-building operation was established in the one remaining area of the four, called the UN Transitional Administration for Eastern Slavonia (UNTAES).

But it, too, treated the state in this minimal sense: its mandate was to restore Croatian government control by integrating local Serbs through joint police forces and holding local and parliamentary elections. In recognizing Croatian sovereignty pre-emptively in December 1992, Germany did require a further element in exchange, namely that the Croatian parliament adopt a revision of its constitution (drafted by German lawyers) to guarantee minority rights – but neither Germany nor the EU acted to require its implementation (and it has never been implemented).

### 2.1.2 Serbia and Montenegro: Compliance

Intervention in Serbia and Montenegro aimed, instead, at regime change in Serbia, on the argument that its president, Slobodan Milosevic, was responsible for all of the wars of Yugoslav succession. Economic sanctions and political isolation could be labelled a state-destroying, not state-building set of policies, although their guiding idea was rather to force the democratic transition of an authoritarian state through popular anger and elections. One component of this external pressure on Milosevic was support for Montenegrin independence. (Montenegrin political parties were split on whether to remain in a federation with Serbia after the other four republics left or to secede as well.) But because there was no war, international action could not negotiate or force the withdrawal of the Yugoslav army. The methods had to be economic. Sanctions were removed from Montenegro and, following a plan devised by an independent economic research institute in Brussels and supported financially by the US, EU and the international financial institutions (IFIs), a process of separation began by replacing the Yugoslav dinar with the Euro and changing the relevant government institutions.

Compliance with EU and US policies replaced regime change as the international goal when Serbs defeated Milosevic at the polls in September 2000. Sanctions and partial isolation were kept in force, however, in order to compel Serbian cooperation in arresting and delivering persons indicted for war crimes in the Bosnian and Croatian wars to the International Criminal Tribunal for the Former Yugoslavia (ICTY) in The Hague. With Milosevic defeated, however, the EU moved to reverse their initial support for Montenegrin independence by requiring the two governments to form a confederation, called a State Union. Hardly a standard western model, the goal was to ease EU diplomacy (foreign, economic and security policies) by creating only one international interlocutor in place of two (and possibly, some argued, regaining some control over a government accused of criminal trafficking). The western model of state-building for Serbia and Montenegro, thus, repeatedly delayed the Westphalian component, with the consequence of delaying as well the domestic process of state-building that was actively assisted for Slovenia and Croatia.

### 2.1.3 Bosnia-Herzegovina, Macedonia and Kosovo: Intrusive, Post-Conflict State-Building

The interventions in Bosnia-Herzegovina, Macedonia and Kosovo, by contrast, are as imposed and disregarding of local traditions and bases of sustainable peace as Boege et al. describe for Timor-Leste, and for the same ostensible reason. That is, in all three cases the model for their independent states was drafted by outsiders, either US government lawyers (from the State Department and the National Security Council) or US and EU diplomats – and not even translated into local languages. The goal of the constitutions was to end wars between parties (three in Bosnia, two in Kosovo and two in Macedonia) who were engaged in a bitter contest over the kind of state and borders they sought. The choice of state model, as in Slovenia and Croatia, was to support politically the sovereignty claims of the party these outsiders favoured and then to impose a *fait accompli* of minority rights on the others.

In contrast to Slovenia and Croatia, however, the resulting imposition is not a Weberian state even in the sense of the minimal criterion of governmental monopoly over the use of force or a Westphalian state in the sense of sovereign independence from outsiders with respect to domestic affairs. Outsiders still, in 2008, control military power; in Bosnia, they also controlled police power until mid-2008 and monitor it to this day. In Kosovo, they will continue to control police and judicial power for an unspecified period into the future. The NATO-led military deployments

are now EU-led, but remain on the ground to deter local opposition to these externally imposed constitutions and international decisions. In Macedonia, NATO did not disarm and demobilize the Albanian insurrectionists. While it replaced the Yugoslav security forces in Kosovo, as in Croatia, NATO did not implement its 1999 “undertaking” for disarmament and demobilization with the KLA either. In a camouflage step toward Kosovo independence (and in violation of the UN Security Council Resolution 1244 of 1999, which recognized the territorial integrity of Serbia and granted Kosovo extensive autonomy), the KLA was retained as a renamed civilian protection force until it could assume the role of national army upon independence (declared, nine years later, in February 2008). By contrast, NATO did eventually require the three warring armies in Bosnia to integrate into one unified army under a central command and civilian defence ministry in 2005, a decade after the war ended, which reversed the non-Weberian provision of the Dayton peace accord that left control over army and police to the three warring parties (Croat, Bosniak, Serb). Although the reversal was a demand by the Bosniak authorities in Sarajevo against the continuing opposition of the other two, one could hardly say, as in Macedonia, that the government had an uncontested monopoly over the legitimate use of force.<sup>1</sup> Indeed, initially, as in Kosovo, the goal was an American commitment at the peace talks to “train and equip” a new Federation (Bosniak-Croat) army to deter and be able to defeat the Bosnian Serb army within their common territory, not an inclusive army.

One might interpret the massive UN and EU investment in a Bosnian border service or, in all three cases, in building a border police, training customs officials and supplying technologically sophisticated surveillance and communications hardware as being driven by a Weberian model of the state, at least if one were unaware of its purpose and primary authority. In fact, the programmes aim to build, for the EU’s Office for Justice and Home Affairs, a capacity to manage EU regulations on migration and against criminal trafficking in drugs, people and other illicit goods through the Balkans to ‘Europe proper’. The widely noted underinvestment in building the judiciary in each country would reinforce this interpretation.

The external state-builders in these three cases, moreover, conceived of conflict resolution and prevention as a matter of constitutional reform by which governments would be required to grant local political, administrative and fiscal autonomy to minorities and to guarantee cultural rights and proportionality in public offices. The terms demanded by outsiders in the Dayton Accord for Bosnia, Ohrid Agreement for Macedonia and Ahtisaari Plan for Kosovo provoked strong opposition from the governments and majority populations on two grounds: that they would create the bases for further separation and potential collapse of their state by institutionalising ethnically defined political rights and, secondly, that they would create immensely complicated and fiscally unsustainable governmental structures. They could also point to inconsistency in these international demands – for extensive decentralization in Kosovo and Macedonia, but a strong and capacious central government in Bosnia including a reduction of the powers granted by the Dayton Accord to local and entity governments – and in their justifications – that such decentralization would *not* be fiscally unsustainable, as the local opposition claimed in Kosovo and Macedonia, whereas centralization in Bosnia was necessary *because* the fiscal burden and duplication of functions of so many layers of government was unsustainable.

<sup>1</sup> Bosniak authorities viewed the continuing struggle over the locus of control for the police forces as an even greater threat to the state than the army, whereas opposition from the Croats and Serbs was so great that the EU chose its strongest conditionality, refusal to sign a Stabilization and Accession Agreement, until they conceded to unification. A European Stability Initiative report (ESI 2007) analyses the many perspectives.

The extent of external imposition and its negative consequences for state-building is also dramatic in the policies for development. The goal of the IFIs, the US Treasury, the EU and most bilateral donors was governmental reform for rapid and extensive trade and monetary liberalisation and property privatization. Whether through a currency board in Bosnia chaired by a non-Bosnian appointed by the IMF or orthodox macroeconomic stabilization policies as condition for credits and loans in all three cases, the effect was centralizing but weakening governmental capacity in the economy along with destabilizing outcomes of high unemployment (rates of 50 to 70 percent), low or no economic growth and the prospect of long-term aid dependence, trade deficits and meagre tax revenues, despite the fiscally expensive, complex political orders to respect minority rights and all the border services, police and militaries designed by outsiders.

## 2.2 External Actors and Local Structures

The recommendation by Boege and his colleagues to appreciate the advantages of hybridity is based on their own appreciation in the cases they study for the roles of existing local structures and customs in conflict management and economic development. It is also based on their view that outsiders, in contrast, ignore these in their state-building policies, even assuming a *tabula rasa* when they intervene, as if there were no local structures of authority at all, especially in countries emerging from war. This was not the case in the Balkans. Although they were most intrusive in Bosnia, in all cases the outsiders took the pre-war institutions and customs seriously – but saw them as obstacles to their goals.

Post-conflict intervention was an opportunity for fundamental transformation. For example, the local populations were viewed as being burdened by the legacy of communist politics and centrally planned economies and, thus, had to be forced to become democrats and create market economies. With regard to pre-war institutions and customs, the attitude was one of slash and burn. The highly effective accounting system and globally competitive public enterprises of the socialist period had to be replaced on the grounds, they argued, of corruption and enabling wartime leaders to amass private wealth and post-war power. Although Yugoslavia's economy was never centrally planned, was fully open to the world economy as a member of the IMF and World Bank from 1949 and a full member of the General Agreement on Tariffs and Trade, GATT – predecessor of the World Trade Organization (WTO) – by 1965, although its property structure was not state-owned but socially owned and worker managed – the most extreme form of democratic participation in the economy, public services and local government in the world – the international state-builders treated them as if they had been the Soviet Union and needed fundamental change. Yet, while the state-building agenda is therefore more explicitly ideological than in the cases discussed by Boege et al. the problem is thus the same – ignorance of the actual local situation, including its very successful, pre-war governance capability.

As a country, Yugoslavia had a highly modern professional army that was key to the southern defence of the North Atlantic Treaty Organization, the largest Bosnian firms were highly competitive conglomerates, particularly in capturing Middle Eastern markets, and the local neighbourhood associations (*mesne zajednice*) in towns and cities ensured an unusually high level of service delivery to the very smallest unit. Why then would Bosnia, Kosovo and Macedonia not be able to continue some of these practices?

The preferred fate of all of the post-Yugoslav governments is to be members of the European Union, thus their governments would have also chosen to transform their socialist institutions. But the difference in foreign approaches to Slovenia (already an EU member) and Croatia

(approved for membership) on the one hand, and Bosnia (especially), Kosovo and Macedonia on the other, does strongly support the hybridity argument made by Boege et al. The wealthiest and most stable of all the new EU member states, Slovenia, never conceded to a complete neoliberal model, quietly retaining instead significant characteristics and capacities from the socialist period, such as an industrial policy and the financial accounting system that outsiders sought to destroy in Bosnia. Sarajevo industrialists complained loudly about the economic disaster caused by the internationally required privatization and break-up of their renowned enterprises, to no avail against outsiders' policies and despite evidence from investigative journalists of widespread corruption in the foreign-managed privatization process. Bosnian villagers chose to rebuild first of all the community centre from the socialist period, against donor protest, as a means of restoring a sense of social stability after the war. Citizens also informally revived their neighbourhood associations, abolished by the international peace agreement, because, as anthropologists discovered in research on social capital after the war (World Bank 2002), these forms of cooperation were the most effective and legitimate means of reconciliation, not the artificial and ethnicizing policies of donors who funded "multiethnic" projects (cooperation between people of different ethnicities) and refused aid to those which were not.

Macedonians complain as well that the power-sharing principles of the imposed Ohrid Accord only enabled the leaders of the dominant (ethnically defined) political parties to hide and protect their illegal economic activities and wealth, rather than to appreciate the decades of coexistence on which they could rebuild post-war stability. The failure of these imposed political orders to gain any domestic legitimacy is the subject of a very large literature on Bosnia, Kosovo and Macedonia. The social and economic outcomes attest to their ineffectiveness as well, particularly when compared to Slovenia and Croatia.

### 2.3 Explaining the Variation

Most analysts have no difficulty arguing that international administration and directive state-building were necessary in Bosnia, Kosovo and Macedonia because they were incapable of doing the task themselves – whether so labelled or not, *de facto*, they are considered failed states. Yet all seven cases experienced civil war, and the level of violence in Croatia was immensely greater than in either Kosovo or Macedonia. All had the same socialist past. All were parts of the same state with its developmental, welfare and national defence capacities, its rational-legal administration and its highly educated population and professional class, that is, features often associated with a Weberian/Westphalian state. Why would international policies, models and corresponding outcomes differ so greatly?

One possible explanation is economic, a difference that also divided Yugoslavia north and south. The three emerging states where interventionist policies and imposed state-building occurred were the poorest areas, with the highest unemployment, lowest export-earning capacity and need for federal subsidies for welfare expenditures and investment from northern firms. Perhaps it is not surprising that along with Serbia and Montenegro, they strongly opposed the break-up of Yugoslavia.

### 3. Conclusion

Outsiders varied substantially in the model of the state they supported or imposed in the Balkans, and in each case, that model was a motley composite of separate sectoral reforms and political objectives. Boege et al. are correct, however, that also in the Balkans hybridity in their sense makes for greater stability, development and legitimacy (at least in such radical transitions) and that the smaller the external intrusion and greater the local control over the choice and pace of institutional change were, the more locals chose a mixed system. Boege et al. have also contributed substantially to the failing-state debate by turning our focus onto the characteristics of the political orders themselves, as opposed only to their presumed outcomes of international concern, measured in risk factors and quantitative socio-economic indicators. I argue, however, that their research and recommendations cannot be utilised if we focus on *countries labelled* fragile or failed states. We need to redirect this debate and our research onto *those doing the judging, labelling and intervening* – to identify their goals, their actual policies and their openness to listening.

## 4. References and Further Reading

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### See also...

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