

Problems of Balkan Reconstruction

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Since the fall of Communist rule, a new dividing line has descended across Europe. Although not as impervious as the Iron Curtain, it has nevertheless separated "Central Europe" from the "Balkans." Post-Communist governments in several Balkan countries that failed to transform their ossified economies and to institutionalize democratic pluralism have encouraged this regional division. There are five major reasons for this state of affairs that must be borne in mind by the international community in planning for regional reconstruction.

Authoritarianism

Various forms of authoritarianism have emerged in South East Europe. Where they were successful, the ex-Communists and their various allies, adopted an assortment of programs to garner popular support through the electoral process. They rallied around two major clusters of issues: statist populism and ethnic nationalism. Authoritarian populists appealed to broad sectors of the population by offering simplistic remedies to complex economic problems. They underscored the importance of the state in providing political continuity, strong leadership, and a broad welfare umbrella. They promoted unequal political competition through their control over the most important media outlets, especially state television and thwarted the emergence of an independent judiciary. In sum, many post-Communists calculated that a formal democracy could co-exist with an informal authoritarianism. Instead of seeking to destroy all vestiges of political pluralism, they estimated that selective controls over the most important state institutions could preserve their positions of power.

Under-democratization

A second set of factors has assisted the post-communist elites: the organizational fragmentation of the diverse opposition movements. For example, the broad anti-Communist fronts in Romania and Bulgaria splintered as a result of personality clashes and policy differences. The emergence of centrist coalition governments in both countries during the past two and a half years must therefore be strongly supported by the international community. Unfortunately, in much of the region the political culture of statism and authoritarianism remains deeply embedded among a broad spectrum of parties while a political culture of dialogue, tolerance, and compromise has shallow roots. Slow progress has been achieved in the process of civic and political participation.

Nationalism and Ethnic Collectivism

The resurgence of nationalism and ethnic politics has proved especially stark in the Balkans where historical competition over territories and minorities has been reanimated and manipulated by an assortment of political actors. Nationalist politicians have appealed to collectivist ethnic identity and antagonistically defined their countries "national interests." Ultra-nationalists operate

on two chief principles: collectivism and exclusivism. Ethnic collectivism serves to unite a society around its nativistic "national interests, while exclusivism defines these collective interests in relation to a domestic or foreign threat. It was easy for many Communist functionaries schooled in collectivism and centralism to switch over to overtly nationalist positions once Communism became defunct. Ethnic nationalism also enabled new alliances to be forged between former communists and ultra-nationalist anti-communists. Leninism also disfigured the Balkan societies by stifling the emergence of civic societies. Instead, it tended to buttress collectivist models of individual obligations to the state rather than the principles of individual liberty and human rights protected by the government. When Communist rule disintegrated democratic institutions only slowly emerged in these societies and public input into decision-making remained limited.

Ethnic politics have been manipulated by a range of political groups. Leaders looking for popular support have capitalized on nationalist sentiments and exploited the presence of minority or foreign scapegoats. Political extremists and opportunists, especially in the former Yugoslavia, have taken advantage of widespread public disorientation and deflected mass fears toward vulnerable minorities or ethnic neighbors. Xenophobic nationalism promotes authoritarianism as it fosters an intolerant political climate and justifies governmental controls over various public institutions on the pretext of defending endangered national interests. Proponents of a civic society, based on a balance between individual and minority group rights, on unrestricted political competition, an open mass media, and the rule of law, may thereby face an uphill struggle against a pervasive current of nationalist threat.

Economic Stagnation

Populism, nationalism, statism, and authoritarianism have been reinforced by poor economic performance. Although strictly centralized command economies no longer exist in the region, the progress of systemic transformation and privatization has been thwarted by special interest groups many of which emerged from the Communist apparatus. Sectors of the old elite have benefited directly from limited economic reform programs by conducting "nomenklatura privatization." In this process, former state property has been sold off cheaply to newly formed companies controlled by well-connected members of the former Communist parties. This has restricted market competition and the development of an entrepreneurial stratum that could strengthen the democratization process and accelerate economic progress. Fearful of a market reform program that could dislodge the old nomenklatura from its privileged positions and seeking to benefit from the legal and regulatory confusion, the statist-populists have hampered market reform in virtually all Balkan states.

Criminalization

Traditional socialist mismanagement, productive inefficiency, and industrial uncompetitiveness have been compounded by nepotism, patronage, and outright corruption. Indeed, a growing wave of officially sponsored criminality has swept across South Eastern Europe. Not only has crime seriously undermined legalism and terrorized a nervous public, but it has also contributed to unsettling the region's fragile economies and quasi-democratic political institutions. Long delays in overhauling and marketizing the economy and fighting criminality may initially cushion the population and the regime against the rigors of capitalism. But in the long term, such a regressive policy will simply drive the government further into debt and make unavoidable reforms that much more painful and destabilizing in the future. There are two possible scenarios for the future of the Balkans: the worst and best cases.

Balkan Futures: Regional Regression

The pessimistic scenario envisages a series of domestic crises accompanied by fundamental political breakdowns and economic meltdowns. Although the degree and impact of regression will vary, each case of internal stagnation or crisis will contribute to exacerbating regional tensions. The Balkans could drift toward peripheral status on the margins of the trans-Atlantic enlargement process. There are five possible ingredients:

Resurgent Authoritarianism

Support for democracy building proves insufficient to forestall new forms of "patriotic authoritarianism" in countries such as Croatia and Serbia. Autocratic tendencies could also become bolstered in other states, with a corresponding weakening of civil-oriented and pro-European political parties. In the midst of disruptive and painful economic reforms, the region could face growing popular support for protectionist and anti-reformist governments and policies. Such a phenomenon could propel to power anti-democratic forces whether through national elections or the declaration of "emergency measures." Such regimes would increase governmental lawlessness despite the holding of multi-party elections and the existence of the formal institutions of democracy. The new regimes are unlikely to try to restore a totalitarian system. Instead, they will primarily seek to control the most important levers of power and to prevent disruptive political competition that could unseat them from power.

Political Paralysis

A second unsettling scenario is one of political paralysis through the frequent turnover and perpetual instability of governments. Instead of focusing on economic transformation and international integration, government leaders will be preoccupied with political disputes and personality clashes. Vested interest groups seeking to preserve the status quo will deliberately stall the reform process. Political and personal interests will take priority over programmatic issues, essential legal and economic reforms. Such a scenario could lead to the breakdown of central governmental controls and the increasing de facto autonomy of various regions and sub-regions. Such regression will be further reinforced by the expansion of criminal networks operating across state borders and tied to various political interest groups. In effect, a country could become ungovernable.

Social Breakdown

In the third scenario the impetus for political breakdown comes "from below." Mounting social unrest in protest against falling living standards and rising unemployment could be manifested in industrial actions, violent street protests, and the exploitation of public disquiet by militant nationalist groupings. A swelling wave of industrial action would prove difficult to contain particularly if the government remains fractured and weak. The worst case possibility could be a civil war, characterized by the organization of self-defense militias, mutinies and splits within the armed forces, and an escalating spiral of violence against state institutions and rival political groupings.

Populist-Nationalist Upsurge

In either of the three scenarios outlined above, radical populist or nationalist elements could seek to gain political power from collapsing governmental authority or from growing appeals for an authoritarian regime. An ultra-nationalist administration would prove especially threatening for the region. It could lead to attacks against vulnerable ethnic, religious, or regional minority populations, a wave of officially sanctioned expulsions, or even prolonged inter-communal violence. An ultra-nationalist regime in any of the Balkan states could rapidly foster conflicts with various neighboring states as we have seen in the case of Serbia. Officially sponsored attacks on minorities could provoke pre-emptive or reactive moves to defend this population by a nearby

"mother state." In addition, a substantial refugee outflow provoked by deliberate state policy could contribute to destabilizing a neighboring state, especially one that already confronts serious inter-ethnic or regional divisions. The most unsettling scenario would entail a series of ultra-nationalist victories in the Balkans, bringing to power political formations thriving on the manufacture of both internal and external nationality conflicts. Indeed, the success of militant nationalists in one state could actually stimulate a nationalist resurgence among neighbors on the pretext of "self-defense."

Balkan Futures: Secure Development

The second optimistic prognosis for the Balkan states envisages consistent progress in ensuring both internal stability and inter-state cooperation. Each state will make strides in meeting the internal and external criteria for membership in both NATO and the EU. Indeed, some Balkan aspirants could be admitted to one or both institutions during the next three to five years.

Political Stability

Regular "free and fair" national and local elections together with long-term governmental stability will remain as essential prerequisites for pursuing far-reaching economic and institutional reforms. Each Balkan government needs to ensure a measure of programmatic continuity between successive administrations so that the reform process does not veer between unpredictable periods of progress and reversal. All the Balkan countries require a cross-party commitment to the goals of economic transformation and institutional reform whatever differences may exist between specific political formations in terms of the timetable and pace of such restructuring.

Institution Building

Successful political stabilization also requires the consolidation of stable and authoritative democratic institutions based on firm constitutional principles. The organs of government need to have public confidence and the commitment of all major political players. Extremist parties advocating some form of authoritarianism must be marginalized so that they do not undermine the nation's body politic.

Civil Society Development

Each Balkan country can develop a more effective alternative media and a range of citizens' interest groups, including business associations, consumers organizations, minority rights groups, and environmental lobbies. These constituencies will significantly enhance the democratization process. The protection of minority rights has become a legitimate component of international human rights conventions. Each Balkan state must pursue policies that comply with international obligations. Furthermore, the development of a multi-faceted civil society will undercut the focus on exclusivist ethnic and national questions that undermine democratic development.

Economic Progress

A priority for each Balkan government is the consolidation of a credible market reform program. All too often in the past, vested interest groups have stalled or diverted the process to their advantage. Alternatively, numerous politicians have compromised on many essential market components by maintaining large-scale state subsidies to unprofitable enterprises and failing to ensure the transparent privatization of the state sector. A serious and far-reaching reform program cannot be held hostage by any political party, economic lobby, trade union, or industrial sector. No program of economic transformation will gain easy popularity for any government and

indeed most administrations are likely to be faced with the growing challenges of industrial unrest and public disquiet. Nevertheless, a reformist government has to weather such storms and ensure that worker unrest is not exploited by radical anti-democratic elements or degenerates into a wholesale social and political breakdown.

Organized Crime Fighting

Public security organs must be empowered to deal with organized crime and corruption. Both an internal and an international strategy have to be devised by each Balkan state working in tandem with its neighbors. The pervasiveness of politically connected corruption and criminality threatens to obstruct the region's reform process. It consolidates the control of special interest groups, encourages polarization and radicalism, dissipates public confidence in the transformation process, and jeopardizes economic stability and marketization. To combat domestic crime, appropriate laws must be passed and enforced and the police must be provided with relevant training, manpower, and equipment. The police and intelligence forces require strict governmental supervision as well as effectiveness. Public trust in the police forces will increase as their success in fighting crime and restoring law and order increases.

Regional Cooperation

Regional cooperation can be buttressed through a range of institutions: governmental, military, parliamentary, political party, local government, and the NGO sector. Economic transformation must be a region-wide priority as the failure of economic reform will directly challenge all nearby states. More emphasis needs to be placed on building economic networks that serve to enhance the reform process. In sum, the Balkan countries must take a more active role in promoting regional stability and development and not focusing only on their domestic concerns.

In conclusion, reconstruction not only provides the opportunity for material development but also for representative democracy. The commitment to reconstruct must be matched by a commitment to reform. The ultimate objective for all the Balkan states must be inclusion and integration in the major European and trans-Atlantic institutions based on solid democratic and capitalist foundations.